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CASS BUSINESS SCHOOL

CORPORATE GOVERNANCE CHALLENGES

**ACCOMPANYING THE PRIVATISATION OF PUBLIC
EDUCATION IN QATAR**

AISHA FALEH ALTHANI

**A THESIS SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS OF CASS BUSINESS SCHOOL FOR THE
DEGREE OF**

DOCTOR OF PHILOSOPHY

July 2010



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TABLE OF CONTENTS

Part One: The Development of the Research

Chapter I

1. The Research Focus.....	17
1.1 Introduction.....	17
1.2 Education Reform in Qatar.....	18
1.3 Research Approach and Methodology.....	18
1.4 PhD Objectives.....	20
1.5 The Researcher's Role.....	22
2. The Synopsis of Chapters.....	22

Chapter II

1. Qatar: Case Study Background.....	27
1.1 Introduction.....	27
1.2 Economic Factors.....	27
1.3 Political Factors.....	29
1.4 Legal Factors.....	33
1.5 Technological Factors.....	35
1.6 Cultural Factors.....	38
2. Qatarisation and Education.....	39

Chapter III

1. Review of Literature.....	43
1.1 Introduction.....	43
1.2 Corporate Governance.....	44
1.2.1 Corporate Governance Development.....	45
1.2.2 Developments in Theory.....	50
1.3 Privatisation.....	56
1.3.1 Privatisation in Qatar.....	63
1.3.2 Qatar's Telecommunications System.....	64
1.4 Charter Schools.....	65
1.5 Other Attempts to Privatiser Public Education.....	68

Chapter IV

1. Introduction.....	71
2. Research Questions.....	72
3. Significance of the Research.....	77
4. Methodology.....	77
5. Case Study.....	78
5.1 Typology: Pre-Post Case Studies.....	81
5.2 Difficulties and Limitations of Case Study.....	83
5.3 The Challenge: Communicating the Results.....	85
6. Validity and Reliability.....	86
7. An Insider View.....	90

8. Elite Research.....	95
9. COSO Model of Internal Control.....	100

Chapter V

Research Design in Action: Introduction.....	104
2. Data and Document Collection.....	105
3. Interviews.....	108
4. Observations.....	112
5. Ethical Considerations and Confidentiality.....	113
6. RAND.....	113
7. Identification of Themes.....	114
8. Pilot Study.....	114
9. Multiple Roles.....	115
10. Sensitive Data.....	116
11. Disparity of Moral Outlooks.....	117

Part Three: The Implementation of the Research Design / Findings from the Field

Chapter VI

Case 1 (i) Report.....	123
1. Introduction.....	123
2. Background.....	124
3. Government Schools.....	125
4. Private Schools.....	128
5. Efforts to Improve Quality.....	129
6. Ministry of Education and the Reform.....	132

7. Changes in Ministry Schools.....	136
-------------------------------------	-----

Chapter VII

Case 1 (ii) Report

1. Introduction.....	140
2. Background.....	140
3. Education Reform Organisational Structure.....	142

Chapter VIII

Case 2 Report

1. Introduction.....	149
2. Background.....	152
3. Reform Organisational Structure.....	156
4. The Education Institute: Balancing Various Tasks.....	157
5. Evaluation of the Reform.....	169
6. Operational Principles for Institutes.....	178
7. Contractors.....	179
8. Finding Pioneers.....	180
9. Conversion of Existing Schools.....	182
10. Establishing New Schools.....	183
11. Developing Guidelines for the independent Schools.....	183
12. Procedure for Starting a School.....	186
13. School Support Organisations.....	187
14. Other Key Players.....	188
14.1 Operators.....	188
14.2 Teachers.....	193

14.3 Parents.....	196
14.4 Students.....	297
14.5 Board of Trustees.....	298
15. Contract Guidelines.....	201
16. Financing.....	203
17. Expenditures on the Reform.....	204
18. Per-Pupil Allotments Start-Up Funds.....	206
19. Grants.....	207
20. Surpluses.....	208
21. Staff Expenditures.....	208
22. Monitoring Policies.....	209
23. External Academic Assessment.....	211
24. External Financial Monitoring.....	216
25. Regulatory Financial Monitoring.....	216
26. Internal Financial Monitoring.....	219
27. Ministry versus Independent Schools.....	223
28. The Information Centre.....	228
29. SEC and RAND.....	230
30. Improvising.....	232

Chapter XI

Analysis of the Case Study Report

1. Plan of Analysis.....	237
2. Data Analysis.....	237
3. Validation and Reliability.....	240
4. Interviews Analysis.....	241

5. Analyses of Case Studies.....	246
5.1 Case 1 (i).....	246
5.2 Case 1 (ii).....	250
5.3 Case 2: The Reform.....	258
5.4 Cross-case Analysis.....	262

Chapter X

Applying COSO

1. Introduction.....	268
2. Control Environment.....	270
2.1 Commitment to Competence.....	275
2.2 Board of Directors and Audit Committee.....	279
2.3 Management's Philosophy and Operating Style.....	280
2.4 Organisational Structure.....	281
2.5 Assignment of Authority & Responsibility.....	287
3. Risk Assessment.....	291
4. Control Activities.....	294
4.1 Control Objectives and Activities: Human Resource Management.....	397
5. Monitoring.....	399
6. Information and Communication.....	305
7. Findings.....	314
7.1 Control Environment Results.....	314
7.2 Risk Assessment Results.....	320
7.3 Control Activities Results.....	321
7.4 Monitoring Results.....	324
7.5 Information and Communication Results.....	325

8. Updated Literature.....	326
9. Privatisation.....	327
10. Education and Privatisation.....	330
10.1 Economic Implications.....	331
10.2 Legal Implications.....	335

Chapter XI

1. Challenges for Developing Corporate Governance: Focus Group.....	337
2. Focus Group Findings.....	340

Part Four: Reflecting on the Research

1. Limitations and Ethical Issues.....	344
2. Contribution to Theory and Practice.....	346
3. Research Surprise: Improvisation.....	347
4. Validation.....	350
5. Reflection on the Methodology.....	351
6. Reflection on COSO Applicability.....	353
7. Elite Literature: New Perspective.....	355
8. Downward Elite Research.....	358
9. Reflections on the Final Focus Group.....	359
10. The Role of the Personal Research Diary.....	361
11. Conclusions.....	361
12. Recommendations.....	362
13. Implications beyond Qatar.....	367

14. Concluding Remarks.....	368
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Appendix

Glossary

Bibliography

LIST OF FIGURES

Figure 1: Adaptation of Watson Framework.....	21
Figure 2: Literature Review Process.....	43
Figure 3: Main Aspects of Different Corporate Governance Theories.....	53
Figure 4: Development of Qatar Educational Model.....	54
Figure 5: Yin's View of Triangulation.....	89
Figure 6: Stake's View of Triangulation.....	89
Figure 7: COSO Model.....	102
Figure 8: Sample Income and Expenses Report.....	106
Figure 9: The Organisation of the Three Case Studies.....	121
Figure 10: Organisational Structure of the SEC.....	143
Figure 11: SEC before the Merge.....	145
Figure 12: SEC after the Merge.....	145
Figure 13: Sample of a School's Performance Card.....	170
Figure 14: An Edited Diagram from the Researcher's Diary.....	192
Figure 15: Data Analysis Levels.....	238
Figure 16: The Qualitative Analytical Process.....	240
Figure 17: Control Environment.....	270
Figure 18: Risk Assessment.....	291
Figure 19: Control Activities.....	294
Figure 20: Monitoring.....	399
Figure 21: Information Communication.....	305
Figure 22: Downward Elite Research.....	359

LIST OF TABLES

Table 1: Synopsis of Chapters.....	23
Table 2: Major Milestones.....	36
Table 3: Research Design Choices and Implementation Methods.....	74
Table 4: List of Primary and Secondary Data Sources.....	151
Table 5: Educational Vouchers' Programme.....	155
Table 6: Types of Interviewee and Key Information Solicited.....	337

LIST of APPENDICIES

Appendix I: Summary of Pilot Study.....	374
Appendix II: Members of the Supreme Education Council.....	289
Appendix III: Guiding Articles for the Personnel Bylaws.....	396
Appendix IV: Three Pages from the Researcher’s Diary.....	411
Appendix V: Fiscal Procedures Guide for Independent Schools.....	412
Appendix VI: Introduction Letter to Interviewees.....	440
Appendix VII: A Rejection of Surplus Funds Use for School Activity.....	442

ABBREVIATIONS

ETS:	Educational Testing Service
GCC:	Gulf Cooperation Council
GDP:	Gross Domestic Product
HEI:	Higher Education Institute
ISOA:	Independent School Operator Agreement
K–12:	Kindergarten through Grade 12
MOE:	Ministry of Education
OECD:	Organization for Economic Co-Operation and Development
OPEC:	Organization of the Petroleum Exporting Countries
PEI:	Post-Secondary Education Institute
PIRLS:	Progress in International Reading Literacy Study
PISA:	Program for International Student Assessment
QCEA:	Qatar Comprehensive Educational Assessment
QCSS:	Qatar Comprehensive Schooling Surveys
QEWCo:	Qatar Electricity and Water Company
QCEA:	Qatar Comprehensive Educational Assessment
QNEDS:	Qatar National Education Data System
QR:	Qatari Riyal
QSAS:	Qatar Student Assessment System
QU:	Qatar University
SEC:	Supreme Education Council
SSO:	School Support Organization
TIMSS:	Trends in International Mathematics and Science Study

Abstract

Research on corporate governance in different institutional and national contexts is important because of the peculiarity of differing institutional environments, and the extent to which governance models are transferred or copied from one environment to another. Thus, research in each area enriches our understanding of corporate governance in general. Despite the fact that governments globally have placed privatisation at the top of the policy agenda in recent years, there are some sectors that have experienced very little or limited privatisation, for example education. The purpose of this thesis is to give a critical account of the introduction and development of the privatised education system in Qatar following consultancy advice from RAND¹ in 2001 and to explore the model of corporate governance used for that delivery.

In presenting and reviewing, these developments in Qatar, this thesis will serve three purposes: 1) To challenge some findings of prior research; 2) To suggest a corporate governance mix for this case that encompasses a broader view of governance than has been considered in prior research; and 3) To identify gaps in past research that represent promising opportunities for future study. The guiding question raised in this thesis is, “what are the roles and challenges of corporate governance structures (mechanisms, approaches), in contributing to the development and establishment of Qatar’s unique privatised education system?” The researcher chose this question because of the relative neglect of corporate governance aspects in this instance. This research revealed that corporate governance aspects came as an afterthought to decision makers in Qatar. As an informed observer and participant, being a member of the Supreme Education Council for Education, the researcher was in a position to access valuable and relevant information.

¹RAND Corporation is a non-profit think tank first formed to offer research and analysis to governments, private foundations, international organizations, and commercial organizations. It is known for rigorous, often-quantitative, and non-partisan analysis and policy recommendations

This thesis departs from the available literature in that it explores a case that is unprecedented. The complete privatisation of public education has only been embarked on in Qatar and prior research has not looked at the role of government, and its governance choices, in a total privatised public education setting. In this thesis, the role of the government is looked at not only in terms of its role and function in the corporate governance process but also in terms of how all the players interact with one another.

The effectiveness of the internal control system in use, post privatisation, is evaluated using the Committee of Sponsoring Organisations COSO Framework model which defines internal control as “a process, effected by an entity’s board of directors, management and other personnel, designed to provide reasonable assurance of the achievement of objectives”.² The researcher is in a position to conduct the research by virtue of being a member of the Supreme Education Council in Qatar and is thus an “insider researcher” (Evered and Louis, 1981); with opportunities to undertake and be part of elite-level research. In this thesis, the researcher therefore reflects on the limits of current elite research and argues that it remains vital to focus on the role of key individuals as agents to analyse structures and situations in their natural settings.

The contribution of this thesis will be twofold. It will provide an exploration and explanation of an intriguing phenomenon of total privatising of public education which has already made an impact on nearby countries; for example the United Arab Emirates recently announced that it is adopting the curriculum standards developed in Qatar. Furthermore, it aims to offer ideas for improvement of the corporate governance aspects of privatisation of public education that may be used in other Gulf States and beyond.

² In 1992, the committee of sponsoring organizations of the Treadway Commission (COSO) issued a landmark report on internal control. Internal Control—Integrated Framework, is often referred to as COSO. COSO aims to provide a sound basis for establishing internal control systems and determining their effectiveness.

PART ONE

The Development of the Research

Chapter I

1. The Research Focus

1.1 Introduction

The research on corporate governance in different institutional contexts is important because of the peculiarity of institutional environments; therefore, research in each area enriches our understanding of corporate governance in general. Many authors point to corporate ownership and governance systems as key elements in restructuring in emerging economies (Carney and Gedajlovic, 2001; Estrin, 2002; Frydman, Gray, Hessel, and Rapaczynski, 1999; Meyer, 2004; Young, Peng, Ahlstrom, and Bruton, 2002).

Furthermore, research on corporate governance is beginning to be driven by multiple perspectives. For example, Peng (2004) and Aguilera and Jackson (2003) incorporate resource-based views and institutional perspectives beyond agency theory on corporate board composition research. Hillman and Dalziel (2003) study boards of directors and firm performance from both agency and resource dependence perspectives.

In response to Daily et al's (2003) advocacy to enrich corporate governance research with alternative perspectives, this thesis will investigate corporate governance mechanisms from a theoretical perspective and identify appropriate contingencies for areas that need enhancements in regard to the privatisation of public education model in the country of Qatar.

It appeared for some time that the field of corporate governance was moving towards a type of consensus about a single and best model of governance (Larcker and Tayan, 2008), but we are now witnessing an active process of articulating alternative governance models. This creative process is partially the result of the emergence of new approaches to management in general (Bradshaw, 2007). Organisations, in both the profit and non-profit sectors, are trying to cope with increasingly complex and rapidly changing environments as a result of changes such as: globalisation, technological innovation and the emergence of the knowledge age. In response to such rapid changes, we see the evolution of new organisational structures and the parallel recognition of the need for innovations in governance models (Miles et. al, 1997).

There is currently no agreement about a prescriptive model of governance which can provide one best way. Rather, the field of governance contains several distinct models. Within the current diversity of thought about governance, there is an exciting opportunity to create more new models which are hybrids of existing and emerging ones.

1.2. Education Reform in Qatar

Setting up a corporate governance system to support education reform in Qatar has been a large undertaking requiring the establishment of new structures and reporting systems. Qatar's experience provides useful lessons that can be applied elsewhere. Other countries embarking on ambitious educational restructuring can gain valuable knowledge by studying the growth experiences of Qatar's corporate governance model in Education. Countries in the Gulf region, in particular, share many of the distinctive features of Qatar context.

1.3. Research Approach and Methodology

By examining Qatar's unique model of total privatisation of public education, the researcher will explore and evaluate the corporate governance model that evolved gradually in response

to the demand imposed by the privatised public education sector. The study of the educational model in Qatar is an important topic to be critically analysed as governments search for ways to increase efficiency in providing education for all. There is growing pressure on efficient use of public funds to produce better academic results thereby heightening the need for profound structural reform. An important strategy for carrying out such reform is through privatisation.

Despite the fact that governments have placed privatisation at the top of the policy agenda in recent years, there are some sectors that have experienced very little privatisation. Although privatisation does not work in every case, the majority position in the traditional privatisation literature is that reliance on private organisations normally, but not always, results in cost savings as well as better results (Bos and Hams 1997).

With the pressing need for a more efficient privatised education, the issue of corporate governance cannot be ignored in this reform. Good corporate governance helps to prevent corporate scandals, fraud, and potential civil and criminal liability. It also enhances the organisation and makes it more attractive to customers, investors, suppliers and contributors. The contribution of this thesis will be twofold. It provides an explanation of an intriguing phenomenon of privatising education and offer adjustment and improvement of existing attempts to remodel corporate governance aspects of the educational sectors in different countries.

The study also aims to indicate whether stakeholders perceive that the corporate governance model made a more positive contribution to cost and quality efficiencies in the management of public education. The performance of private institutions is used as a benchmark for comparison of efficiency of services. The study also aims to show whether competition from

operators spurred management productivity improvements thereby creating better management results for the public education authorities. Finally, the study results were checked against a review of recent research and studies in other sectors.

The research is based on a qualitative analysis of privatisation of education, while funding remains public. The case study was suited to this study and revealed significant insights in the extent of privatisation. Case study methods allowed the phenomena to be examined in a natural setting; data collected by multiple means and the intricacy of the unit is studied intensively. As with most case studies, no experimental controls or manipulation were involved. The study employed the use of a triangulation that solicited responses from all stakeholders to increase validity. The study consisted of qualitative methods using interviews with key informants from private-sector management and public educational institutions; focus groups; archival records and authorities' documents.

1.4 PhD Objectives

When the government of Qatar reformed the education sector, after consulting RAND, some aspects relating to corporate governance were not prioritised. During the first year of implementing the new educational model, it was apparent to decision makers that attention should be paid to corporate governance. Changes were introduced as a reaction to problems that surfaced. The total privatisation of education had never been embarked upon before anywhere in the world, hence Qatar faced problems as the reform developed.

The researcher contends that this study will:

- ***critique and challenge*** existing literature on corporate governance in the public education sector;
- ***introduce a unique model*** of corporate governance for the delivery of a privatised public education system.

Below is a summary of the research approach using the Watson framework for crafting management research (1994)

Figure 1: Adaptation of Watson Framework (1994)

What?	Why?
<p><i>What puzzles and intrigues me?</i></p> <ul style="list-style-type: none"> ▪ The introduction of the privatised schools' education system in Qatar (2002) with special reference to corporate government aspects. <p><i>What do I want to know more about?</i></p> <ul style="list-style-type: none"> ▪ The stage in the reform at which corporate governance was introduced. <p><i>What are the key research questions?</i></p> <ul style="list-style-type: none"> ▪ What are the challenges of corporate governance structures in contributing to the development and establishment of Qatar's unique model? 	<p><i>Why will this be of interest to others?</i></p> <ul style="list-style-type: none"> ▪ It is a unique model of privatisation of public education looked at from an elite point of view. <p><i>Is this research an original contribution to knowledge?</i></p> <ul style="list-style-type: none"> ▪ Whole privatisation of public education was never embarked on before; hence the unique corporate governance model used merits study. ▪ It is an opportunity to study aspects of elite research.
How Conceptually?	How Practically?
<p><i>What concepts and theories can I draw on to answer my research questions?</i></p> <ul style="list-style-type: none"> ▪ The COSO model is used as a template for empirical research. ▪ Exploration of the model in the context of privatisation of public education effectiveness. 	<p><i>What investigative style and techniques shall I use?</i></p> <ul style="list-style-type: none"> ▪ Use a professional corporate governance analytical frame work. ▪ Checklist the system against COSO attributes. ▪ Face-to-face interviews with key stakeholders

1.5 The Researcher's Role

The researcher is well-suited to conduct this study by virtue of the researcher's role as a member of Qatar Supreme Education Council now serving a second term. As an insider, the researcher had the opportunity to undertake research on elites and to make a contribution to the elite on elite research, because of the researcher's position within the education elite.³

The researcher found it easy to interview top managers and heads of institutions as well as operators of independent schools who normally would have not given researchers enough time because of their tight schedules. Also misleading answers were less likely to be given to the researcher due to the researcher's role as an insider who knew how the organisation was run. A very interesting feature that emerged though, and which will be discussed in more details in the following chapters, is that misleading answers were for the most part given by heads of institutes and not second-line managers.

The researcher contends that elite interviewing comes with a whole set of problems that include guarding against misleading information and time management among many others, however, as it is shown later in this study, the advantages of elite-on-elite research far exceed the disadvantages.

2. The Synopsis of Chapters

Part one of this research includes three chapters which detail the development of the research. In the first chapter, the research focus, approach and theoretical underpinning are explained. The researcher's objectives and motivation are explored; furthermore, the researcher's role as an insider and an elite member is explained. In chapter two, the socio-economic context of Qatar and the location of the research is presented. Chapter three

³ Note: This was not meant to be an 'action research' project; however, once the researcher's continuing interest in corporate governance became known, the research probably had some action-research like impact.

explains the theoretical underpinning for the research. Part two, which includes two chapters, lays out the organisation of the research. The first chapter of part two details the development of the research questions and the overall research design for the study and the second deals with implementing the research methodology; in other words, it sees the research design in action. Part three is made up of five chapters. It details the implementation of the research design and findings from the field. The first three chapters of part three render a vivid description of three integrated parts of the case study, while chapter nine deals with the application of the COSO framework against the Case 2 findings. Chapter ten lists challenges for developing a corporate governance model for the privatised public education sector through the focus group findings. Part four is reflective literature; it also describes the researcher's personal learning journey and examines how the research can be taken further beyond Qatar. In conclusion, it gives suggestions for further studies, see table below.

Table 1: Synopsis of Chapters

Part One:		The Development of the Research
Chapter 1	The research focus	This chapter contains a very brief encapsulation of the research problem and the research opportunity (timely, whilst the reform is still live and in development; and the researcher's situation as a partially 'insider' researcher, in relation to education decision-making.
	The research approach	Using the Watson framework, to emphasise use of the case study approach and qualitative methods.
	The theoretical underpinnings for the research.	1. The academic definition of corporate governance. 2. The choice of using COSO Model to examine the extent of privatisation on the internal corporate governance progress.
		Corporate governance aspects in the reform: -to explore and deepen understanding of the importance of corporate governance to the effective working of privatised schools' in Qatar;

	The motivation for and objectives of the thesis.	<p>-to review developments in internal corporate governance within the privatised system, from the perspective of an externally-validated corporate governance model framework;</p> <p>- to identify opportunities for further learning, both within the system, and for external interested parties (other countries contemplating this move).</p>
	The researcher's role	'insider' role, and an opportunity to undertake research on elites, and to make a limited contribution to the elite-on-elite research, by virtue of researcher's position within the education elite.
	The synopsis of chapters	
Chapter 2	The socio-economic context of Qatar and the location for the research.	Qatarisation
Chapter 3	Literature review	<p>The conceptual literature on privatisation, the privatisation of education and the way in which it is characterised as "reform".</p> <p>The literature on corporate governance; its importance in privatisation and defining corporate governance for the purpose of this research.</p> <p>The growth of professionally-led as well as academically-led models within corporate governance frameworks.</p>
Part Two	The Organisation of the Research	
Chapter 4	The development of the research questions and the overall research design for the study.	<p>The overall Research Questions cascading to detailed research questions; together with the research methods that appear to offer the best fit.</p> <p>The rationale for the choice of case study; the critiques of the case studies and evaluation of their overall value using the research methods literature.</p> <p>The researcher's plan to do three case studies to fit the questions, culminating in the pinnacle case.</p> <p>The researcher's decision to choose the COSO model for reviewing the pinnacle case findings.</p> <p>Plans for interviews and documentary reviews; analysis of the findings and to culminate in a post-case study focus group of key informants to explore the issue of 'further learning'.</p> <p>Elite research literature: a new version.</p>
	Implementing the research methodology: the research	<p>Research plans execution - reception of the research (key informants experience).</p> <p>The researcher's experiences of 'elite on elite' research. The</p>

Chapter 5	design in action.	value of the personal research diary. Some expansion of plans.
Part Three	The Implementation of the Research Design: Findings from the Field	
Chapter 6	Case 1 (i) The initiative, creating or resisting the impetus for the policy: The RAND corporation and the Qatari Ministry of Education.	The overarching Research Questions and descending in order. Questions: 1A-1D; and the case account of the bottom layer of the pinnacle.
Chapter 7	Case 1 (ii) The strategy: the roles and structural development and corporate governance activities of the Supreme Education Council.	The second case study description, answering questions: 1D-1F.
Chapter 8	Case 2 Implementing the strategy: operationalising privatisation of Qatari schools; the products and processes.	The pinnacle case – answering questions: 2A-2D The longest case by far
Chapter 9	Case 2 – an application of the Case 2 findings on the COSO framework.	The full details of researcher's work through the COSO attributes when laid beside the question scheme
Chapter 10	Challenges for developing corporate governance- the focus group findings.	key informants selection and their place in cases: 1i, 1ii and 2
Part Four	Reflecting on the Research	
Chapter 11	The researcher's reflections and personal learning journey.	Summarising findings: The limitations of the research. How has the researcher left the field? Contributions to theory and practice? Research surprises (improvisation); The experience of and the value of applying the COSO model; Contributions to research methods and the elite research

		development; Reflections on the final focus group; The role of the personal research diary; A further or ongoing research agenda.
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Summary

This chapter has described the research focus; it contains a very brief encapsulation of the research problems which arose from neglected corporate governance aspects. The research is a timely opportunity while the reform is still live and in development; and the researcher's situation as a partially insider researcher, in relation to education decision-making, is crucial to the study. The research approach is described using the Watson framework. The use of case study approach and qualitative methods is described briefly. The theoretical underpinnings for the research including the academic definition of corporate governance are also emphasised. The researcher explains how a professionally derived framework for exploring the extent of internal corporate governance progress is used. The motivation for and objectives of the thesis is then explored; the first being: corporate governance aspects were not at the top of the agenda; secondly, the researcher aims to explore the importance of corporate governance to the effective working of privatised school education in Qatar. Thirdly, to review developments in internal corporate governance within the privatised system from the perspective of an externally-validated corporate governance model framework. Lastly, to identify opportunities for further learning, both within the system, and for external interested parties (other countries contemplating this move). The researcher's role as an insider is also explored, and the opportunity to undertake research on elites is presented. The researcher further aims to make a limited contribution to the elite on elite research, by virtue of researcher's position within the education elite.

Chapter II

1. Qatar: Case Study Background

1.1 Introduction

Qatar is a small Gulf State⁴, but its significant oil and natural gas reserves, along with its strategic geographical location and progressive leadership, give it a distinctive status in the world. Qatar is one of the world's wealthiest countries and its economy has grown dramatically over the past decades. Qatar imports much of the labour needed for its economy, especially in the private and semiprivate sectors. Sources estimate the population in Qatar at 1.04 million (Qatar General Secretariat, 2008). The Figure includes expatriate workers.

There are two sea ports in Qatar, at Doha and Ra's Laffan, which both feed into the Arabian Gulf. Qatar has five airports, of which three have paved runways. Qatar is aiming to construct a large portion of a major rail project by 2022. The project has investment of EUR17bn (US\$22.8bn) and German rail operator Deutsche Bahn is a strategic partner. The construction work is scheduled to be completed in 2026. The project comprises the construction of domestic freight and passenger train lines, as well as a metro system in Doha. It will also connect Qatar to neighbouring Saudi Arabia via a 40-km causeway to Bahrain. At present, Qatar's overland transport network is wholly dependent on roads.

1.2 Economic Factors

Underlying Qatar's reform initiatives is an economy that can meet the expenses of creativity and risk. Qatar's economy has grown dramatically over the past few years. Per capita income doubled from 1995 to 2000, going from around \$14,500 to more than \$29,000. In 2009 with a

⁴ 11,427 sq km

per capita income of \$74,882 per annum, Qatar ranked number three worldwide on the income level. Only Liechtenstein and Luxembourg were ranked higher. The Qatari economy is set to expand extremely rapidly over the next two years especially as gas production levels increase sharply. High living standards are enjoyed by nationals and the state's provision of free efficient public services is likely to continue. An average annual real GDP growth of 8.4% from 2010-2014 is expected according to international forecasts, meaning that Qatar will continue to rank as one of the fastest growing economies in the world.

Oil and natural gas account for more than 55% of gross domestic product, roughly 85% of export earnings, and 70% of government revenues (Central Intelligence Agency, 2004). For its part, Qatar is the largest exporter of liquefied natural gas (LNG) in the world. Output stands at some 38 million tons of LNG yearly, but is expected to reach 77 million tons a year by 2012. Qatar managed to expand its gas business through joint production agreements with international oil firms.

However, the country's leaders recognise the need to develop industrial capabilities to reduce dependence on oil revenue. Revenues from the export of crude oil have been used to fund a range of development projects within the country such as chemical fertilisers and steel industries which were developed in the 1970s and Qatar National Cement Company (QNCC) which was established in 1965. QNCC is a manufacturing enterprise developed for exports and to also provide building materials to support the intensive local construction efforts that began in the 1970s. These industries remain important aspects of Qatar's economy today.

Qatar is an attractive destination in the Middle East for foreign investors as there are few security risks, especially compared with some of its neighbours. As of the start of 2010, the

corporate tax rate for foreign businesses will be cut to a flat 10%, a move which is likely to boost investment. Also the government has recently eased restrictions on foreign ownership of companies in a number of sectors, and its expansionary fiscal policy, with a strong focus on capital expenditure, will continue to enhance the business environment.

1.3 Political Factors

The system of government in Qatar is an Institutional Monarchy under the Emir, Sheikh Hamad bin Khalifa Al Thani. The Council of Ministers is the supreme executive authority and is presided over by the Emir of Qatar, His Highness Sheikh Hamad bin Khalifa Al Thani who directs, supervises and coordinates the work of the Ministers and the State Agencies. In addition, the Emir of Qatar is authorised to issue decrees on the advice of the Council of Ministers and in consultation with the Advisory Council. The Emir, assisted by the Council of Ministers, has executive power within the State. The Emir thus holds both legislative and executive powers with the assistance of the Council of Ministers and the Advisory Council.

The ministers are responsible for carrying out the state's policies as well as achieving the optimum possible social, cultural and administrative development for the country in keeping with the constitution of Qatar. Moreover, the ministers propose draft laws, by-laws and regulations prepared by their ministries to be added to the constitution of Qatar. They also assign the task of monitoring the execution of laws, legal judgments and regulations as well as monitoring the state's expenditure. The Council adopts the required measures to ensure public order and national security. The Ministers also, within their jurisdiction, safeguard the state's interest abroad including establishing international relations according to law.

The present Qatari government consists of the following Ministries:

- Ministry of Business and Trade
- Ministry of Culture, Arts and Heritage
- Ministry of Defence
- Ministry of Education and Higher Education
- Ministry of Endowments and Islamic Affairs
- Ministry of Energy and Industry
- Ministry of Environment
- Ministry of Finance
- Ministry of Foreign Affairs
- Ministry of Health
- Ministry of Interior
- Ministry of Justice
- Ministry of Labour and Social Affairs
- Ministry of Municipal Affairs and Agriculture

The Advisory Council or Majlis al-Shura

The Qatar Advisory Council met for the first time on the 15th of May 1972. The Council constitutes members who must be sensible, wise, and competent representing one of the social sectors of the country. The new constitution, which came into force on 8th June 2004, provides for a 45-member Consultative Council, or Majlis al-Shura; the public would elect two-thirds of the Majlis al-Shura; the Emir would then appoint the remaining members. It debates all political, administrative, economic, legislative, legal and other issues of public

interest submitted by the Government. Before making his final decision, the Emir usually takes into consideration the Council's views and recommendations.

Qatar is one of the more politically stable states in the Middle East, as reflected in its political risk ratings. The local population enjoys a high standard of living, and the government faces no domestic political challengers. Although Qatari society remains conservative, over recent years there have been some efforts at greater political liberalisation. On the international stage, Qatar has pursued an activist foreign policy and took on the role of a regional bridge builder. Qatar played an important role in 2009 as Middle East arbitrator; in Lebanon's presidential decision and in Yemen's dispute between government and Zaydi rebels. Qatar is one of the few Sunni Arab states to have good relations with Iran.

In addition, the country continues to improve its standing in the fight against corruption, adding to its appeal as a reliable place to do business. In Transparency International's recently released Corruption Perceptions Index 2009, Qatar scored 7.0 out of 10, coming 22nd out of 180 countries surveyed. This represents an encouraging upward move in relation to Transparency International's 2008 report, when Qatar scored 6.5 to place it 28th.

According to the Qatar Statistics Authority, the workforce in 2008 was 1.17mn, out of a total population of over 1.5mn and, although no official figures exist, estimates put unemployment at under 3%. In recent years, the share of the Qatari labour force in the private sector has been decreasing and is now under 7%. Expatriate workers account for a lot of employment positions; managerial, skilled and menial, with many of these workers coming from the Indian subcontinent. The government is attempting to foster Qatarisation; replacing foreign workers with locals in the workforce but this has yet to have much of an impact. The labour-

intensive construction sector accounted for 47% of the workforce in 2008, while the more capital intensive oil and gas sector only provided 5% of all jobs.

In recent years, strikes by workers, mainly in the construction sector, over non-payment of salaries and poor living conditions have pushed the authorities to look into improving overall conditions and living standards. Indeed, Qatar and India have signed a new labour protocol designed to improve the labour conditions of the expatriate community. The protocol stipulates new rules for the recruitment of Indian domestic workers, and allows for the formation of a committee in each country to meet and discuss labour issues. Qatar is a member of the International Labour Organisation

According to Qatar's 2008 labour force survey, foreigners make up nearly nine-tenths of the total population and comprise about 94% of the total labour force. The government is aware that hosting such a large expatriate workforce brings with it certain challenges. The government's "Qatar National Vision 2030" document, which maps out the country's developmental goals for the next 20 years, acknowledges the pros and cons of the large expatriate workforce, namely economic growth versus the pressure on public services and housing capacity, and the potential negative impact on national identity.

Because of the high hydrocarbon revenues, the government has the means to look after the local-born citizenry well. For example, there are no taxes for nationals and the state's provision of services such as education and healthcare is quite good.

Qatar is currently going through a period of consumer price deflation, which marks a major change from the high inflation rates experienced in recent years. Going forward, the Riyal's

peg to the US dollar will continue to constrain the central bank's monetary policy, meaning that a return to high inflation rates in the future is a risk that must be considered.

Against this background, the government has embarked on a privatisation programme designed to encourage and strengthen the Qatari private sector. The government allows foreigners to own up to 25% of the capital of companies listed on the Doha Securities Market. Foreign investors are not allowed to participate in any Initial Public Offerings (IPO); only Qatari and Gulf Cooperation Council citizens have that privilege, and the privatisation programme has been conducted through IPOs only.

1.4 Legal Factors

Islamic law is the basis of the legal system though European influences are also present. A dual legal system of shari'a and civil courts was in operation until 2003, when the decision to unify both divisions under the Supreme Judicial Council was made. There is now a more integrated three-tiered judicial system in place. The first two stages of the judicial process, represented by the Courts of First Instance and the Courts of Appeal, are still largely divided into Shari'a Courts for personal status disputes and Courts of Justice for civil, criminal and commercial matters. However, the higher court, the Court of Cessation, now hears both civil and Islamic issues. The 1999 law created the High Judicial Council to serve as the authority of the judiciary and ensure independence. Judges are usually appointed by the Ministry of Justice.

Dispute resolution is effectively handled by the legal system. Judicial decisions in commercial disputes are mainly based on contractual agreements, and the system accepts binding international arbitration between the government and foreign investors. That said: the

courts do not enforce judgements of other courts in disputes coming from investment agreements made under the jurisdiction of outside countries. The authorities are looking to take a firmer line on governance to convict officials for insider trading.

Ownership of real estate is restricted to Qatari nationals, but in 2004 legislation was passed allowing foreigners to own residential property in selected projects. The specified real-estate development projects open to foreign investors are The Pearl, West Bay Lagoon and Al-Khor resorts. Under current legislation, foreign investment is not subject to expropriation unless it is in aid of public welfare and implemented in a non-discriminatory way, against a prompt and reasonable compensation.

Qatar aims to strengthen intellectual property rights protection standards, and in recent years has adopted the Gulf Co-operation Council Patent Law and founded a GCC Patent Office. Qatar is also a member of the World Intellectual Property Organization (WIPO), the Paris Convention on industrial property and a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS). The Ministry of Economy & Commerce is responsible for enforcing these laws and other intellectual property rights matters. However, US trade negotiators have noted that Qatar has encountered some difficulties in enforcing copyright laws.

The government has introduced changes in the rent law, which will provide stronger protection for tenants. Under the amendment, a property owner is required to serve at least a six-month notice period to a sitting tenant to evacuate a rented property, and only if he/she needs it for personal use or for the use of legal dependents. In addition, the new legislation does not lift the rent freeze which was implemented in March 2008. In late October, the

government amended the country's investment law to allow full foreign ownership in three new sectors: consultative and technical work services, the technology sector, and distribution services.

The regulatory burden in Qatar is relatively light, and there is currently no minimum wage regulation. In recent years Qatari workers have been granted the right to form workers' committees and to join international labour organisations, although these rules are not extended to non-Qatari workers. All foreign labourers have to have a national sponsor, and it is usual for these workers to be granted accommodation, benefits and homeward passage allowance. The Ministry of Interior and the Ministry of Civil Service and Housing Affairs are responsible for regulating the recruitment of foreign labour.

1.5 Technological Factors

Historically there has been little R&D or technology entrepreneurship in the Arabian Gulf because the economy is dominated by big petroleum projects and state-owned enterprises. However, governments in the region have recently started to look for ways to diversify beyond oil and create high-skill jobs. Qatar's approach has been to invest deeply in education and science, and at the same time encourage the private sector to play a bigger role.

Although Qatar has been a late entrant to the ICT world, having made its first serious moves only in 2005, its leadership is convinced that ICT can bring far-reaching changes. Qatar is ranked 32nd in the 2007– 2008 Networked Readiness Index (NRI). Qatar also boasts some of the highest penetration rates in telecommunications (both fixed line and mobile) and internet in the region. Typically, with a small population and high per capita income many of these changes would be easy to make. But several challenges and roadblocks have had to be

overcome over the last few years, including an acute shortage of trained workers, social norms and misconceptions about technology, and coordination issues. The first major step was the establishment, by a Royal Decree in 2004, of the Supreme Council of ICT (ictQATAR) with a mandate as both regulator and enabler of the ICT sector.

In May 2005, its vision and mission was unveiled, and thereafter ictQATAR embarked on its plan of fulfilling the key objectives of the country's ICT strategy. ictQATAR serves as regulator of the ICT sector.

Table 2: Major Milestones

- 1987: Establishment of the Qatar Public Telecommunications Corporation
- 1998: Qatar Public Telecommunications Corporation renamed Qatar Telecom (Qtel)
- 2002: Establishment of the Information Technology and Communications Committee
- 2004: The formation of the Supreme Council for Information Technology (ictQATAR)
- 2006: Promulgation of the Telecommunications Law providing the regulator the power to issue new licenses
- 2007: Vodafone Consortium selected as a second mobile operator in Qatar and process started for second Fixed Line Operator

A nationwide effort is now underway to use ICT to make government work better for residents, citizens, and visitors. Qatar is committed to a customer focused approach to running the government in all areas. Qatar's plan to connect people with the government will include a high level of readiness for ICT capabilities in public administration and e-government information and services to make life easier. The government is launching Hukoomi: a one-stop portal for government information and services, including pre-existing

e-services and recently implemented e-services for the issuance of exit permits and business commercial registration. Hukoomi will aim at helping businesses improve productivity and compete in the marketplace, and improve convenience and satisfaction in the daily lives of everyone in the country. Similar gains in efficiency and transparency are expected with the implementation of e-procurement, an initiative that will speed up excessive procurement cycles across all industries. Also experts are hoping to design a secure information superhighway that will interconnect all government entities and enable them to operate as one ecosystem, collaborating seamlessly in the delivery of public services.

The establishment of the Qatar Science and Technology Park (QSTP) in 2004 is a key element in attracting foreign talent and technology creators to the region and fulfilling Qatar's long-term strategic plan. QSTP sits within Qatar's Education City, which is chaired by Her Highness Sheikha Mozah bint Nasser Al Missned. Its new buildings cost US \$300 million and opened in mid-2007. As Qatar's first knowledge based, research and commercialisation facility, QSTP fosters innovation in Qatar by providing a greenfield site for international companies to develop new technology. So far companies such as EADS, ExxonMobil, Gartner Lee, GE, Microsoft, Rolls Royce, Shell and Total have joined QSTP.

QSTP is Qatar's first free-trade zone for industrial companies: tenants can incorporate as a company or operate as a local office, can be wholly foreign-owned, can trade without a local agent and are free from tax and duties. In return, QSTP requires that each tenant's principal activity must relate to technology development such as applied research, product development or training. The association with Qatar Foundation's Education City offers businesses and entrepreneurs operating in QSTP another advantage: direct access to the world class research facilities of educational institutions such as Carnegie Mellon Qatar,

Georgetown School of Foreign Service, Texas A&M University at Qatar, Virginia Commonwealth School of the Arts in Qatar and Weill Cornell Medical College in Qatar.

QSTP is targeting companies in sectors that are relevant to Qatar's economy and society: upstream and downstream petroleum, aircraft operation, healthcare, information and communication technology, the environment, health care and water technologies. So far QSTP's tenants have laid plans for US \$180 million of investment in research and commercialisation over the next five years. ExxonMobil is investing US \$25 million in research into operating technologies relating to its LNG activities, which will likely influence the way it works elsewhere in the world. EADS will be commercialising new non destructive testing technologies and training a much needed pool of qualified inspectors for the petroleum and aviation sectors.

1.6 Cultural Factors

Qatari heritage is an integral part of the Arab Islamic heritage of the Arabian Peninsula. Throughout history Qatar has always benefited from its geographical location in the Arabian Peninsula and its openness on neighbouring countries and civilizations to build its cultural heritage. Therefore, Qatar pursues a policy aiming at preserving its heritage in such a way to make it adaptable to modernism.

Inhabitants of Qatar are mainly Arabic in origin. Most of the people of Qatar reside in the capital city of Doha. Apart from the original Qatari people, there are many people of Persian origin too. Islam is the dominant religion of Qatar and most of the people follow the same. A major number of the inhabitants in Qatar practice the Sunni Islam religion. Most of the holidays in Qatar apart from the public holidays are religious holidays, like, Eid Al Fitr, which is followed by Eid Al Adha after 40 days. While Qatar pays due respect to the

followers of other religions, it has laws and rules about dress and behaviour in public. Apart from the Sunni Muslims, there is also a small Shi'ite community in Qatar. Other religions observed by the expatriate community include Roman Catholicism which is practiced by 6% of the Qatar population, and 3% Qatar People are Hindus. The average life expectancy is 74.1 years and the population density is around 79 persons per square kilometre with 92% of the Qatar population living in the urban areas, while only 8% of the people in Qatar live in rural country sides.

The city holding the largest numbers is Doha with 339,847 people. Al Rayyan with the strength of 272,860 people is the second most populated city. The city is followed by Al Wakrah with 31,441 inhabitants. The infant mortality rate in Qatar is 18 deaths per 1000 live births, while almost 83.5 % people of Qatar are literate. Although the major section of the Qatari nationals speaks Arabic, English is used as a second language.

The Qatari Women have been blessed with more rights than on other neighbouring countries partly because of the work of Her Highness Sheikha Mozah bint Nasser Al Misnad. The latter endorses women's conferences that explore solutions to the problems faced by the working women. The present situation indicates that Qatar is moving toward greater gender equality. Gender issues have become a key theme of social development programmes and strategies, and the first report on women and men, published in 2004, measures the gender gap in society. However, more time and effort will be required to make the concept of gender equality a central focus of concern to most governmental and non- governmental institutions.

2. Qatarisation and Education

Synchronised with education reform, a national policy to promote the participation of Qatari citizens in the labour force termed “Qatarisation” has been a high priority of the country.

Qatarisation promotes the use of quotas to induce employers to hire Qatari nationals. It aims to develop the skills of the Qatari workforce through employment, education, and training. Private and semiprivate corporations, such as Qatar Petroleum, have been primary targets of the quota system; also the school system has been adjusted to promote the employment of Qataris. There are no serious sanctions for failing to meet Qatarisation quotas yet; instead, institutions are required to spend money on training Qataris; however, pressure to comply with the quota system continues to mount. Up until 2009 Qatarisation quotas have not been strictly enforced, and many schools fell short of targets (Stasz et al., 2007). In 2009, operators were put under great pressure to hire Qataris and they were banned from giving non-Qataris managerial positions.

Along with Qatarisation, gender-related features of the Qatari labour market play an important role; up until 2006 public schools were segregated by gender. Female teachers taught girls at all levels and boys at only the primary school level while male teachers taught only boys. In addition, men and women did not generally work together in the same institution. Traditionally, in the Qatari labour force, men earn higher salaries than women, largely because of a different benefit structure. In addition, a degree of occupational segregation by gender exists within the labour market, as in many other countries. Women are far more likely to become teachers than men and few male Qataris enter the teaching profession. Given that only male teachers are employed in boys' preparatory (Grades 7–9) and secondary (Grades 10–12) public schools, many male expatriate teachers must be brought in to teach boys. Hence, the proportion of expatriate male teachers is greater than that of expatriate female teachers.

At the reform's inception, the primary goal was to improve student performance and outcomes, and independent school operators were encouraged to locate and hire teachers that they believed were the most qualified to do this, whatever their nationality. In May 2005, to encourage operators to hire more Qataris and to interest Qataris in applying for teaching positions in independent schools, the SEC established a policy that set minimum salaries for Qataris and minimum percentage targets for Qatari teachers in each independent school. A new policy in September 2007 then revised the Qatarisation requirements and raised the minimum salary for Qatari university graduates. The new SEC policy was a response to concerns that independent schools, which were initially for-profit institutions, would be staffed predominantly by local non-Qatari teachers, at salaries considerably less than those paid to Qataris, in order to increase independent school profits. At the time of this study, no sanctions had been imposed, and the policy had not yet had an impact on hiring. The Qatarisation goal reduces operator autonomy, in that it limits operators' ability to staff their schools as they see fit.

Summary

Qatar is one of the smallest Gulf States but significant oil and natural gas reserves, along with its strategic location and progressive leadership, give it a unique status in the world. Qatar is one of the world's wealthiest countries, and its economy has grown dramatically over the past decades. Underlying Qatar's bold initiatives, regional leadership position, and international prominence is a strong economy that can meet the expenses of creativity and risk. Synchronised with education reform, a national policy to promote the participation of Qatari citizens in the labour force termed Qatarisation has been a high priority of the country. Qatarisation promotes the use of quotas to induce employers to hire Qatari nationals. It aims to develop the skills of the Qatari workforce through employment, education, and training. In

2009, operators were put under great pressure to hire Qataris and they were banned from giving non-Qataris managerial positions.

Chapter III

1. Review of the Literature

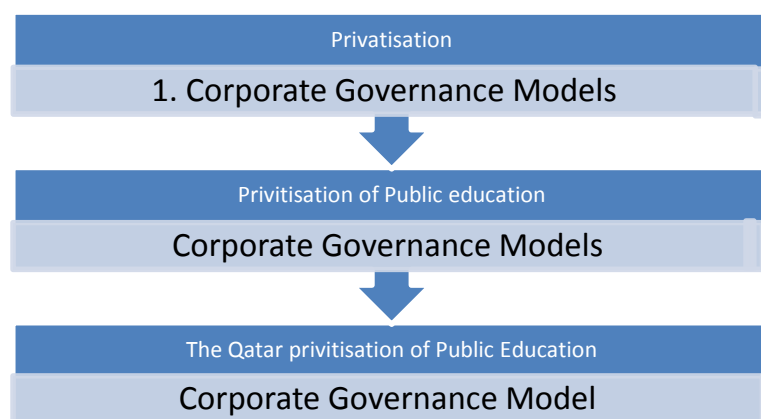
1.1 Introduction

The aim of this chapter is to review relevant literature. It is important that the research is approached from three perspectives: privatisation and relevant corporate governance models, privatisation of public education and relevant corporate governance models and lastly privatisation of public education in Qatar and the corporate governance model used for the delivery of the education reform in the country. Hence, the researcher will look at the literature in three stages (Figure 2). It is important to revisit the first and second stage after the completion of the third stage of literature exploration.

To develop the literature review, many important professional articles and academic papers were identified using the following sources:

- major journals and corporate governance internet sites
- bibliographies of seminal works, papers and doctoral dissertations
- a request to authorities in the field to identify seminal works

Figure 2: Literature Review Process



The researcher's approach to the literature review follows Hart (1998) in that the literature reviewed must provide a methodological rationalisation for the research. Hart suggests that the literature review needs to be a structured argument in order to achieve the following.

Knowledge-based Elements:

- A description of previous work on the topic, identifying leading concepts, definitions and theories.
- Consideration of the ways in which definitions were developed as solutions to the problems seen in prior studies.
- Identification and description of matters considered important by other researchers.

Argumentational Elements:

- Description of what was found to be wrong in prior studies on the topic.
- A proposal for action that might solve the problems presented by the research.
- An explanation of the benefits that might result from adopting the proposal.
- A refutation of possible objections to the proposal.

1.2 Corporate Governance

There have been many attempts to define corporate governance; according to Shleifer and Vishny (1997), corporate governance deals with the ways in which investors of corporations assure themselves of getting a return on their investment. This traditional definition forms the basis of the substantial literature on value in finance; it focuses on agency theory and on shareholders (Jensen and Meckling 1976) but tends to ignore the existence of other stakeholder groups. Van Manen (1999) defined corporate governance as a process whereby stakeholders try

to influence the decision-making process of an organisation and its subsequent implementation. Demb and Neubauer (1990) describe corporate governance as, “The process by which corporations are made responsive to the rights and wishes of stakeholders.” Another definition is that corporate governance is a field in economics that investigates how to secure/motivate efficient management of corporations by the use of incentive mechanisms, such as contracts, organizational designs and legislation. This is often limited to the question of improving financial performance, for example, how the corporate owners can secure/motivate that the corporate managers will deliver a competitive rate of return” (Mathiesen, 2002). Perhaps the most common definition is provided by the UK’s Cadbury Report (1992), which is frequently quoted, “corporate governance is the system by which businesses are directed and controlled.” Turnbull (1997) define it as “all the influences affecting the institutional processes, including those for appointing the controllers and/or regulators, involved in organizing the production and sale of goods and services”. A more holistic definition of corporate governance is “the systems of checks and balances, both internal and external to companies, which ensures that companies discharge their accountability to all their stakeholders and act in a socially responsible way in all areas of their business activity” (Solomon 2007). For the sake of this thesis, the researcher would like to adhere to this last definition because of its wider perspective and because it translates well into the COSO framework which is, in a way, a system of internal and external checks and balances in organisations.

1.2.1 Corporate Governance Development

In the 1970s Pfeffer (1972) drew attention to the importance of the link between organisation, environment and board power. Three other significant developments occurred in corporate governance thinking during this period. In the United States an emphasis on independent outside directors and audit committees was on the rise; in Europe the promulgation of the two-

tier board started and on both sides of the Atlantic debates about stakeholder notions were generated.

An increasingly controversial climate in the United States led to more emphasis on checks and balances at board level. Auerbach (1973) wrote of the audit committee as a new corporate institution. Mautz (1970) discussed audit committees of the board and the Securities and Exchange Commission (1972) called for standing audit committees composed of outside directors, there was a call for outside directors to be independent. Estes (1973) suggested that outside directors were more vulnerable than ever. In the UK, Tricker (1978) studied British board structures, membership and processes, intending to advocate audit committees in the UK but stated that, first, there had to be independent directors on the boards of British companies. Sir Brandon Rhys-Williams (1976) also called for non-executive directors and audit committees, a proposal that led to a green paper, *The Conduct of Company Directors* (1977) and a parliamentary bill calling for audit committees, which ultimately failed.

The European Economic Commission issued a series of draft directives on company law harmonisation throughout the member states. The fifth draft directive (1972) proposed that unitary boards, in which both executive and outside directors be replaced by the two-tier board form of governance practised in Germany and Holland. In this form of governance, companies have two distinct boards, with no common membership. The upper, supervisory board is responsible for monitoring and overseeing the work of the executive board which runs the business, and has the power to hire its members.

The idea of the two-tier board idea was not well received in Britain, partly because it would replace what was seen as a viable system of governance, but also because, in addition to the separation of powers, the directive included co-determination ideas then practised in Germany,

in which the company was seen as a sort of partnership between capital and labour and the supervisory board was made up of equal numbers of shareholder and employee representatives.

The UK's response was the report of the Committee chaired by Lord Bullock. The Report of the Committee of Inquiry on Industrial Democracy (1977) and the research papers (1976) associated with it reflected the first serious corporate governance study in Britain. The Committee's proposal, for a continuation of the unitary board, but with worker representative directors, was not well received in Britain's boardrooms either. Meanwhile, a number of corporate governance problems featured in the reports of UK government inspectors appointed by the Department of Trade.

The 1970s also saw a questioning of the role of public companies' responsibilities which should go beyond their strictly legal duty to their shareholders. Given the scale and significance of such companies, boards should be accountable to a range of stakeholders who could be affected by board decisions. Consumer advocate Ralph Nader offered a specification for a model corporation rooted in stakeholder thinking. Jensen and Meckling (1976), whose work was subsequently to become key in the development of agency theory, asked whether the concept of the company could survive.

In the United Kingdom, a committee of the Confederation of British Industries, chaired by Lord Watkinson (1973) reported on the wider responsibilities of the British public company. A PEP report by Fogarty (1975) discussed companies' responsibilities and stakeholder participation. The Accounting Standards Steering Committee produced The Corporate Report (1975), a seminal paper which called for all economic entities to report publicly and accept accountability to all those whose interests were affected by the directors' decisions. The political implications of these proposals for the widening of accountability and control over companies, and the related erosion of managerial power, soon consigned this report to the top shelf.

In the 1980s broader stakeholder concerns became overshadowed by the market-driven attitudes of Thatcher and Raganite economics. Directors' responsibility to increase shareholder-value was reinforced. The profit performance model became the basis for the privatisation of state run entities like rail, coal, electricity, gas and water enterprises which were all privatised in the UK and, gradually, around the world.

By the late 1980s the down-side of such thinking was becoming apparent. In Australia the names of Alan Bond, Laurie Connell of Rothwells and the Girvan Corporation were being associated with questionable governance practices. In Japan Nomura Securities and The Recruit Corporation were accused of dubious governance practices. In the United States the names of Ivan Boesky, Michael Levine and Michael Milken were to go down in regard to corporate governance practices through the massive junk bond financed, insider dealing deals through Drexal, Burnham, and Lambert. In the UK it was the Guinness case and, subsequently, the collapse of Robert Maxwell's companies. Boards dominated by powerful executive directors were seen to need checks and balances, particularly where the posts of chief executive and chairman of the board were combined and the outside directors were weak. Now the concepts of corporate governance became the focus of attention. Indeed the phrase itself was about to appear.

In the UK in the early 1990s after the collapse of many corporations, the most famous being Maxwell Communications Corporation, a committee under the chairmanship of Sir Adrian Cadbury was formed to investigate the British corporate governance system and to suggest improvements. One of the recommendations of Cadbury was the suggestion that the role of Chairman and Chief Executive be separated. The next corporate governance report was chaired by Richard Greenbury who was both Chairman and Chief Executive of Marks and Spencer. The

Greenbury Report of 1995 looked at the issues of remuneration and made recommendations to link pay to performance. In 1998 a third corporate governance report was commissioned to review progress; the Hampel Report endorsed the voluntary ethos of Cadbury and Greenbury but also prompted companies to see corporate governance as a value added process, to focus on accountability and recognise that there were other stakeholders not just shareholders.

In 1998 the three reports were consolidated into the “Combined Code”. The 1998 Code combined all three reports and was structured into two distinct parts; one tackling the responsibilities of companies, while the second dealt with institutional investors. A feature of the combined code was a focus on internal controls, a review, the Turnbull Report, gave guidance on these issues while mentioning the importance of an internal audit function. Corruption and scandals like the collapse of Enron in the US brought about the Sarbanes-Oxley Act 2002 which further strengthened a rules compliance approach with legal enforced penalties.

The Higgs Report (2003) looked at NEDs (non-executive directors) and called for stronger relations between NEDs and principal shareholders including an alignment of shareholder and director interests; called for changes to the combined code to increase the proportion of NEDs on the Board to at least half of the Board and that one NED should have specific responsibility for shareholder interests. The Smith Report (2003), which was running at the same time as Higgs, focused on audit committees and the relationship of external auditors with a company.

The subsequent revised Combined Code of 2003 made more recommendations and was adopted by many other countries. A new critical approach, which the researcher contends would improve the status and authority of internal audit functions in companies, is for them to adopt

the COSO framework⁵ or the COSO enterprise risk management model⁶ as it encompasses all the previous models as will be shown later in this chapter.

1.2.2 Developments in Theory

Although the 1990s saw a growing interest in corporate governance, some papers addressing the topic lacked a theoretical base. Pettigrew (1992), for example contends that corporate governance lacks any form of coherence: empirically, methodologically or theoretically. Lorsch and McGiver (1989) produced some deep insights in their work “Pawns or Potentates: the reality of the American board”; Demb and Neubauer (1992) drew on European experience in their book “The Corporate Board: Confronting the Paradoxes”. Monks and Minow (1995) drew on their experiences as relationship investors and activists. Many theoretical insights have been applied to research in the subject. Taking a human relations/sociological perspective, Pettigrew and McNulty (1995) explored power and influence around the board room. From the viewpoint of jurisprudence in Australia and the UK, Stapledon (1995) explored the potential for institutional activism.

The concepts of agency theory were first developed by researchers such as Williamson (1979) and Fama and Jensen (1983). The theory presents the governance relationship as a contract between the director and the shareholder. Directors seeking to maximise their own personal utility, take actions that are advantageous to themselves but detrimental to the shareholders. As a result, the transactions costs for the use of independent outside directors, audit committees and the separation of chairman and CEO are desirable.

⁵ In 1992, the committee of sponsoring organizations of the Treadway Commission (COSO) issued a landmark report on internal control. Internal Control—Integrated Framework, is often referred to as COSO. COSO aims to provide a sound basis for establishing internal control systems and determining their effectiveness.

⁶ The Enterprise Risk Management Framework expands on internal control, providing an extensive focus on the broader subject of enterprise risk management. While it is not intended to and does not replace the internal control framework, but rather incorporates the internal control framework within it.

Critics of agency theory argue that the theory takes a rather low view of the nature of human beings, as it perceives them as “not to be trusted”. Stewardship theory, on the other hand, being based on the original and legal view of the corporation in which directors have a duty to their shareholders to be stewards for their interests; sees all directors acting in trustworthy manner (Caldwell and Karri 2005).

Sternberg (1997) argued that stakeholder ideas are fundamentally flawed, strongly advocating the ownership rights’ perspective. Turnbull (1997) took the opposite view, advancing the benefits of a stakeholder view. Stakeholder thinking continues to attract in people who regard it as an approach that promotes better consumer, environmental and societal behaviour.

Whereas agency theorists view executives and directors as self-serving and opportunistic, stewardship theorists, reject agency assumptions, suggesting that directors frequently have interests that are consistent with those of shareholders. Donaldson and Davis (1991) suggest an alternative “model of man” where “organisational role-holders are conceived as being motivated by a need to achieve, to gain intrinsic satisfaction through successfully performing inherently challenging work, to exercise responsibility and authority, and thereby to gain recognition from peers and bosses’ (Donaldson and Davis, 1991). Where managers have served a corporation for a number of years, there is a “merging of individual ego and the corporation” (Donaldson and Davis, 1991). Equally, managers may carry out their role from a sense of duty. Citing the work of Silverman (1970), Donaldson and Davis argue that personal perception motivates individual calculative action by managers, thus linking individual self-esteem with corporate prestige. Davis, Schoorman and Donaldson, (1997) argue that a psychological and situational review of the theory is required to fully understand the premise of stewardship theory. “The stewardship theory holds that there is no inherent, general problem of executive motivation”: (Donaldson and Davis, 1991). This would suggest that extrinsic incentive contracts are less important where

managers gain intrinsic satisfaction from performing their duties: “a steward protects and maximises shareholders wealth through firm performance, because, by so doing, the steward’s utility functions are maximised” (Davis, Schoorman and Donaldson, 1997). The stewardship perspective suggests that the attainment of organisational success also satisfies the personal needs of the steward. The steward identifies greater utility accruing from satisfying organisational goals than through self-serving behaviour. Stewardship theory recognises the importance of structures that empower the steward, offering maximum autonomy built upon trust. This minimises the cost of mechanisms aimed at monitoring and controlling behaviours (Davis, Schoorman and Donaldson, 1997).

A debate will always exist in the literature around the stakeholder versus the shareholder organisational perspectives. Agency theorists see the firm in the context of the manager serving the shareholder, stakeholder theorists argue that managers of firms have a number of additional stakeholders to serve. Freeman (1984) identified the emergence of stakeholder groups as important elements to the organisation requiring consideration. Freeman (1984) suggests a re-engineering of theoretical perspectives that extends beyond the owner-manager-employee position and recognises the numerous stakeholder groups. Freeman (1984) defines stakeholders as “any group or individual who can affect or is affected by the achievement of the organisation’s objectives”. Sundaram and Inkpen (2004) suggest “stakeholder theory attempts to address the question of which groups of stakeholder deserve and require management’s attention”.

All the theories outlined above are perspectives at the firm level; resource dependency theory however, provides a theoretical foundation for directors’ resource roles. According to this theory, outside directors provide access to resources needed by the firm. In their examination of Pearce and Zahra (1992) the association between corporations’ environments, strategies and past

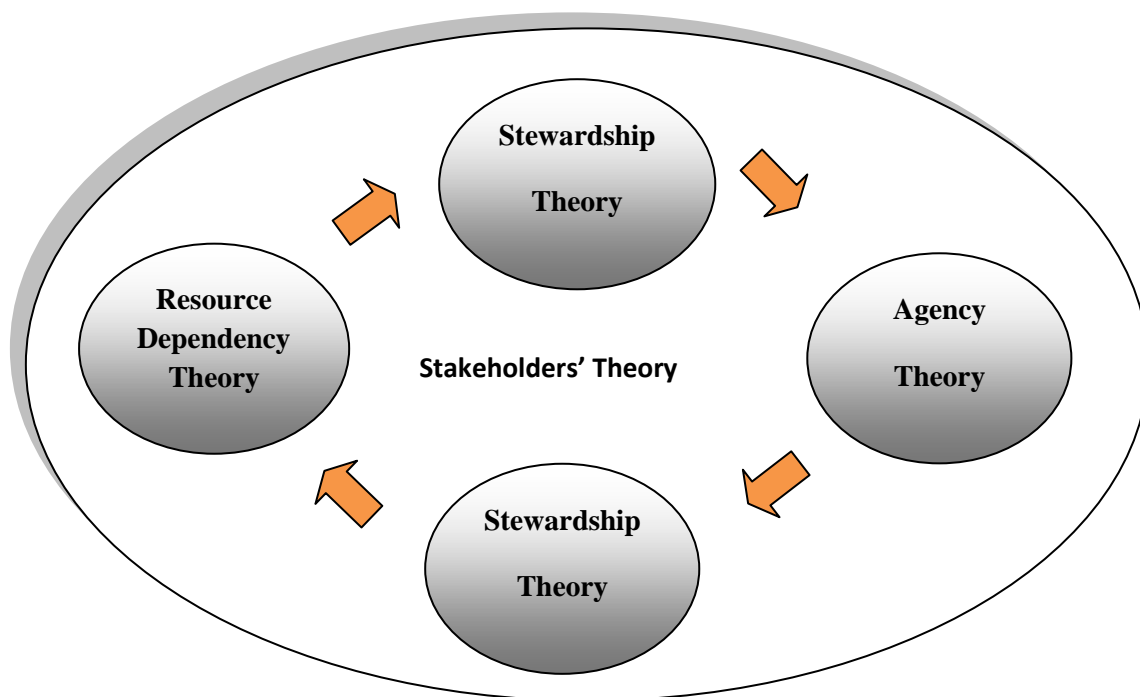
performance and the composition of their boards of directors, as measured by board size and outside director representation, they cite the work of Pfeffer (1972) who proposed that board composition reflects the strategic contingencies a firm faces in its operations. Pearce and Zahra argue that “...boards serve as a ‘co-optative mechanism’ whereby a company links itself with its external environment to secure resources and, on occasions, protects itself against environmental uncertainty” (Pearce and Zahra, 1992). Below is a table explaining the main aspects of the theories mentioned earlier.

Figure 3: Main Aspects of Different Corporate Governance Theories

Comparison	Agency Theory	Stakeholder's Theory	Stewardship Theory	Resource Dependency Theory
Managers	Agents	Stakeholder	Stewards	Directorial resource role
Management Philosophy	Control oriented	Empowerment	Involvement oriented	Control/monitor
Model of Man behaviour	Opportunistic	Opportunistic	Trustworthy	Network connector
Assumptions	Owners' interest might differ from managers' interests.	Different stakeholders have legitimate but different interests.	Owners and managers have similar interests.	Outside directors provide access to resources needed by the firm
Key issues	Control may hinder innovation, risk-taking and motivation.	Board members may promote stakeholders' interests rather than that of the organisation's. May be difficult to align objectives.	Management proposals and systems may not be given adequate inspection.	Depends too much on environmental factors.

In explaining the situation of the privatisation of public education, the government of Qatar appeared to have started implicitly with the concept of stewardship in corporate governance model, operators seem to have been expected to act like stewards. The approach was involvement oriented. As this thesis demonstrated, it was not until scandals surfaced that the government resorted to introducing strict controls. This phase saw the government adopting the agency model; operators were seen as opportunistic agents that needed to be controlled. Public scrutiny and the demand for transparency led the government to resort to stakeholders' theory which was not so dominant when the reform started due to the lack of stakeholders' analysis. Restrictions on operators were criticised in the media, hence the government once again went back to adopting further aspects of the stewardship model. In 2008, the Minister of Education gave operators some freedom and operators were seen as network connectors, only to withdraw that freedom after low academic results were seen along with other fraud related practices. While the researcher contends that stakeholders' analysis should have been conducted from the start; ignoring this aspect jeopardised the well-being of the organisation.

Figure 4: Development of Qatar Educational Model



The researcher contends that academic-led theories like the agency theory are better seen as a diagnostic tool rather than a prescriptive tool. While theories like the agency theory diagnose some corporate governance aspects, professionally-led models like COSO give practical assurance of accurate internal controls, hence the popularity of COSO in the last few years. Researchers have to address and evaluate professionally-led models like COSO and ERM and try to integrate them with theories like the agency theory and stewardship theory. The COSO framework has been recognised by regulatory standard setters, and others, as a comprehensive framework for evaluating internal control. Internal control generally serves as a first line of defence in safeguarding assets and preventing and detecting errors and fraud.

Even so, the development of a holistic corporate governance theory that explains shortcomings of corporate governance structures in some of today's failing companies has yet to occur. At Present corporate governance is still rooted in a nineteenth century legal concept that is inadequate in the emerging global business environment. The researcher contends that there is value in using a corporate governance model that combines academic-led approaches with professional-led approaches in a way that ensures both effective performance and appropriate social accountability and responsibility, hence the use of COSO framework in this thesis.

There is no doubt that good corporate governance practices add value to corporations. After studying the issue of corporate governance, McKinsey published its conclusions in July 2002. They concluded that 'high governance standards' are valued by investors, and that they are willing to pay a premium of up to 30% in Eastern Europe and Africa.⁷

⁷ McKinsey & Company, (2002). Global Investor Opinion Survey: Key Findings, report with the results of the survey conducted by McKinsey & Company

1.3 Privatisation

Privatisation is the transfer of assets, functions, and responsibilities from government to private hands, or, any form of private participation in government owned enterprise or operations (Doh, 2000; Ramamurti, 1992). Private participation in infrastructure is a relatively new phenomenon in the developing world (World Bank, 1999). This investment has been facilitated by broad economic liberalisation and privatisation (Doh, 2000; Ramamurti, 2000). Research on privatisation in emerging economies has investigated the causes and trends of privatisation (Ramamurti, 1992), the effects of country characteristics on privatisation (De Castro and Uhlenbruck, 1997; Ramamurti, 2003) and the nature of privatisation methods (Djankov, 1999). However, much research on privatisation does not recognise the different modes of private participation, and implicitly assumes that there is one relatively uniform approach. This study will look at private participation in education from a different perspective.

Not all private participation is the same. There are at least three modes of private participation. The first private participation mode is acquisition, where private entities acquire ownership and control rights from the government; this is the most commonly used concept of privatisation. In the second mode, the government can retain its ownership rights, while releasing control rights to private entities awarding them management control. Third, the government and private entities can set up public-private partnerships by jointly owning and managing these joint ventures (Boardman and Vining, 1989). In this dissertation a new mode of privatisation of public education is investigated which perhaps has some aspects of the second and third modes, hence a hybrid. Overall, this study departs from the available literature in that it explores a model that is unprecedented. The complete privatisation of public education has only been embarked on in Qatar; hence, corporate governance structures for the delivery of public education had to be adjusted as the reform in education was taking place. The relative neglect of

corporate governance aspects was largely due to the fact that these were not a priority when the reform was thought of and implemented. As problems relating to the new privatised model of public education emerged, decision-makers looked for solutions.

The researcher also looked at privatisation from the ownership and control view which are two of the most fundamental reflections of influential governance forms. Ownership rights refer to the locus of authority for making strategic choices (Jensen and Meckling, 1976). Owners generally have the authority to decide the firm's strategic goals, develop its competitive strategy, and allocate its resources through internal transactions. Private control through managerial contracts is a private participation mode that internalises transactions between the state and the private entities. In this mode of private participation, a private entity takes over the management of part of a state-owned enterprise while ownership remains with the state and investment decisions are made within the private entity, which is a distinguishing feature of internal organisation (Williamson, 1991). Through the managerial contract, the state and the private entity resolve transaction disputes internally. This mode is unlike the mode of private participation, where a private entity and the state form an alliance, which they both have ownership claims in. In this latter form of governance, both parties maintain autonomy but are bilaterally dependent. The state and the private entity jointly invest in the project, they learn a great deal about which investment terms and conditions may be most effective, efficient, and viable in economic, political, and social terms (Doh, Teegen, and Mudambi, 2004), which helps them to adapt to each other's management style in a coordinative manner.

Market governance is another form of governance. When property is acquired by a private entity, the state relinquishes both ownership and control rights, and the private entity obtains both rights of the project. Although this private participation mode avoids political interference in management's decision making, with clearly defined property rights (Boycko, Shleifer, and

Vishny, 1993), given the politically sensitive nature of private ownership of infrastructure (Vernon, 1971), the private firm cannot totally avoid transactions with the state. Newly privatised firms in emerging economies often find it necessary to seek financial, technological, and managerial resources and capabilities from more richly endowed firms (Hitt, Dacin, Levitas, Arregle, and Borza, 2000) which may be firms partially owned by the state. Countries vary in the relative influence of authoritative planning vs. market governance of transactions in domestic resource allocation (Murtha and Lenway, 1994).

The state will not be able to learn to operate efficiently in a market system overnight. In structuring the process of market liberalisation and private ownership in previously state-controlled sectors, governments face a challenging range of options as they seek to balance political, social, and economic goals in determining the extent and pace of reform (Doh, 2000). Hence, the privatisation of public education in Qatar should not be expected to reap fruitful results until stakeholders become more familiar with the new adopted model.

In addition to incentive conflict, failures of transaction problems arise because government, operators of schools and other stakeholders read and react to signals differently, even though their purpose is to achieve a timely and compatible combined response (Gulati et al., 2005; Williamson, 1991). Two aspects were investigated in this regard: first, the researcher extended cost analyses beyond the usual consideration of incentive conflicts and focused on the limitations in governance structure to post-privatisation circumstances. The novelty of this approach lies in suggesting that different privatisation modes used to organise transactions between the government and the private entity differ in their capacity to align actions through processes. Private entities recognise the differences and self-select the governance mode that better facilitates transactions with the government.

The research also provides a timely guide to privatisation process in emerging economies. There are differences in the ability to facilitate transactions among private participation projects with different governance modes. The researcher argues that in order for a private participated project to survive, the private entities need to choose a governance mode that best facilitates transactions with the state in an uncertain institutional environment, this could mean an open channel of communication between the government and the private entity and a level of freedom to adjust given by the government to the private entity. As such, other than critique and challenge the existing literature on privatisation and corporate governance, this research will introduce the corporate governance model used by the government of Qatar to enable public participation in education and decision-making.

The approach that the government of Qatar has adopted aimed at using mechanisms that reduce the agency costs of the separation of ownership and control as explained previously in the chapter. Jensen and Meckling (1976) define the agency relationship as a contract under which one party (the principal) engages another party (the agent) to perform some service on their behalf. As part of this, the principal will delegate some decision-making authority to the agent. The agency problems arise because of the impossibility of anticipating every possible action of an agent, whose decisions affect both his own welfare and the welfare of the principal, Brennan (1995). Arising from this problem is how to induce the agent to act in the best interest of the principal. In the case of privatisation of public education, the researcher contends that such a model identifies this aspect of the principal / agent relationship and facilitates it. Nonetheless, monitoring is central to the new corporate governance model; the researcher will identified aspects of the monitoring system and checked it against the COSO model. Monitoring costs are expenditures paid by the principal to measure, observe and control an agent's behaviour. They may include the cost of audits and writing executive compensation contracts. Initially these

costs are paid by the principal, but Fama and Jensen (1983) argue that they will ultimately be borne by an agent as their compensation will be adjusted to cover these costs.

Denis and Sarin (1997) contend that effective monitoring will be restricted to certain groups or individuals. Such monitors must have the necessary expertise and incentives to fully monitor management; in addition, such monitors must provide a credible threat to management's control of the company. Burkart, Gromb and Panunzi (1997) provide a contradictory view of monitoring; arguing that too much will constrain managerial initiative. Optimal levels of monitoring managerial policies are specific to an individual firm's contracting environment, Himmelberg, Hubbard and Palia (1999). Critics of Cadbury (1992) have felt that this increased level of monitoring may act as a deterrent to managerial entrepreneurship. The issue of monitoring is central to this study and the new model of monitoring that was adopted by the government of Qatar will be looked at and checked against available models.

Agency problems arise from conflicts of interest between two parties to a contract, and as such, are almost limitless in nature; however, both theoretical and empirical research has developed in four key problematic areas – moral hazard, earnings retention, risk aversion, and time-horizon. The researcher will extend this to the privatised public education model adopted by the government of Qatar; all four problematic areas will be explored.

Denis (2001) argues that two conditions must ensue for a good governance mechanism. First, the need to know whether the device serves to narrow the gap between managers and shareholders' interests; and secondly, whether the mechanisms have a significant impact on corporate performance and value. She also comments that where firms are all in equilibrium with respect to their governance mechanisms, then no meaningful relationship between any

individual mechanism and performance will be seen to exist. The researcher will describe the gap that existed between managers and stakeholders before and after the reform took place.⁸

Furthermore, the government of Qatar has introduced a reward system for best performers. Basing bonuses upon accounting measures of performance provides an improved mechanism for aligning manager's interests with those of the company's shareholders. Banker, Lee and Potter (1996) report evidence of this in the retail sector, where they find that sales in 15 firms improve after the introduction of accounting based bonus schemes.

Healy (1985) and Jensen and Murphy (1990) argue that paying executives on the basis of accounting variables manipulate the accounting system, and favour projects with short-term accounting returns at the expense of long-term positive NPV investment. The arguments of Brennan (1994) suggest that monetary incentives alone are insufficient in aligning the interests of corporate managers and shareholders.

The arguments of Krole (1995) and Himmelberg et al. (1999) will also guide this research; they argue that such agency conflicts are heterogeneous across different firms in different industries, and most likely different cultures. Himmelberg et al. refer to differing firms with different contracting environments, which highlights an important point from Jensen and Meckling's (1976) theory, that no two firms will have the same 'nexus of contracts.' The scope of each type of agency conflict will differ from one firm to another, as will the effectiveness of governance mechanisms in reducing them. Each type of governance mechanism can be important in reducing the agency costs of the separation of ownership and control. What is required is a more detailed understanding of what makes these mechanisms important for some firms and ineffective for others. Despite its faults, with respect to how the privatised public education

⁸ Refer to Appendix (Pilot Study)

model in Qatar guards itself against agency conflicts, different settings would require adjustment to the model adopted. Adjustment practices must continue to evolve, and greater research may be required to understand exactly what works and why it works.

One of the reasons for the success of the agency theory is that it has kept a distance from actual board practices. As applied to the case study, the corporate governance problem is how the principal (SEC) can ensure that his agents – Operators – serve the shareholders' interests rather than their own. The remedies to this conception of the agency problem within corporate governance involves the acceptance of certain “agency costs” involved either in creating incentives/sanctions that will align executive self-interest with the interests of shareholders, or incurred in monitoring executive conduct in order to constrain their opportunism.

According to agency theory, the self-interested opportunism of executives can be remedied only through a mixture of increased independent monitoring, sharper sanctions and more appropriately targeted incentives that avoid reward for failure. The researcher in this study challenges the agency model and suggests that it is better seen not as the solution but rather a diagnostic tool to the governance problem. A more prescriptive tool is provided by the COSO model which gives practical assurance of accurate internal controls.

For a very long time there has been a rift between academic literature and commercial applicable models. The researcher challenges the limitation of academic models; however, the researcher agrees with their diagnostic features and further suggests that they fall short of providing a more prescriptive remedy to the corporate governance problem. COSO, as a prescriptive model, on the other hand, provides an applicable approach that is actually a prescription for the diagnoses of the corporate governance theories. Hence, the researcher uses the COSO framework of internal controls to test the efficiency of corporate governance structure used to implement the educational reform in Qatar.

1.3.1 Privatisation in Qatar

The State of Qatar has completed the transformation of Qatar Public Telecommunication into a joint stock company under the name of Qatar Telecom. This was the first phase of privatisation programme prepared in collaboration with the World Bank, 45% of the shares of Q-TEL were offered for sale for all investors without exception. In doing this, the government wanted to reflect its strong resolve to involve the private sector in the development process and which was considered a step to attract foreign capitals to participate in Qatari projects.

The privatisation programme serves the strategic objectives of realising economic development, upgrading the performance of companies and improving the standard of services extended to citizens and residents. Privatisation is seen as a means of achieving a number of goals including contributing to remedy the budget deficit, reducing administrative and financial burdens, increasing economic growth rates, reducing the prices of commodities and services and enlarging the ownership base in society.

The privatisation programmes carried out by the state of Qatar is expected to cover other establishments. The privatisation drive has been introduced in Qatar relatively late; however, it is now on track and is moving consciously in accordance to plans aiming to restructure the country's economy, taking into consideration all factors that could affect the banking system and the size of liquidity available inside and outside the country. The latest to be partly privatised is the sector of oil industry. Woqood is now a private company, partly owned by the government of Qatar. Utility has also seen the forces of privatisation, 'Qahrama' is the name given to newly privatised company. In the telecommunication sector, a new company has been licensed, Vodafone started operating in 2009 and is becoming a competitor for Qtel.

1.3.2 Qatar's telecommunications system

Qatar's telecommunications system is generally modern and is centred in the capital, Doha. In 2008, there were 263,000 fixed lines in service, a penetration rate of 18.2%. The penetration rate has dropped in recent years – it was 33.6% in 2002 – primarily due to population growth outstripping the growth of fixed lines. However, the number of mobile-line services has increased rapidly in the last few years; and in 2006 there were around 1,683,000 mobile lines, compared with only 177,900 in 2001. Mobile phones are now more popular than fixed-line services, and account for over 85% of total telephone subscribers. There were 289,900 internet users in 2006, according to ITU figures.

One of the most significant developments to have occurred in Qatar's mobile market last year was the launch, in July, of full commercial operations by the country's second national telecoms operator, Vodafone Qatar. The new operator launched commercial mobile services with an online promotion and a promise to add a prepaid product under the 'Red' banner to its existing range of 'Flexi' post-paid packages. In September, Vodafone Qatar announced that it had reached 99% population coverage, adding that it was confident of capturing 40-60% market share from Qtel within 10 years.

The launch of commercial operations by Vodafone is already resulting in increased service innovation and consumer choice. For example, in September 2009, Vodafone Qatar proceeded to launch mobile internet services in the country. However, one negative consequence of the increased competition is likely to be a new downward pressure on mobile ARPU levels. With competition now established in Qatar's mobile market, attention is turning to the fixed-line sector, which remains a monopoly under the control of Qtel. Nevertheless, this situation looks set to change.

In September 2008, Qatar's regulatory authorities awarded a fixed-line services licence to Vodafone Qatar. In July 2009, media reports suggested that Vodafone was reportedly planning two separate fixed-line infrastructure deployments. Both deployments would form part of the Pearl-Qatar project, a new-build island due for completion in 2012. However, although Vodafone Qatar is already preparing for the launch of fixed-line services, it should be noted that the country's telecoms regulator ictQATAR has yet to officially issue Vodafone Qatar with its fixed-line licence.

Other developments in Qatar's mobile market include the passage, in August 2009, of a new telecoms by-law, which has been described by the country's telecoms regulator as an important step in the development of the legal foundation for liberalisation of the telecoms sector. The by-law includes regulatory provisions on a range of subjects, including licensing, radio spectrum management, interconnection and access, tariffs, numbering and competition policy. Also in August, the regulator announced plans to issue three licenses for very small aperture terminals (VSAT). VSAT enables communication links via satellites between geographically dispersed sites. The VSAT licensing process will start with a pre-qualification phase, with those who qualify being eligible to compete for a licence.⁹

1.4 Charter Schools

The privatisation of the educational sector in Qatar may be seen in the context and development of privatisation in the United States in the form of charter schools which were created in an attempt to privatise public education. Supporters justified the practice by referring either to John Locke's view that legitimate governmental concerns were limited to the protection of life, liberty, and property or to the principle of subsidiarity which holds that it is unjust to assign to a

⁹ This report is abstracted from Qatar Telecommunications report, which include in depth research on the sectors, full five-year forecasts and a thorough analysis of the competitive landscape.

greater and higher association what lesser and subordinate associations can do, (Messner 1951). According to both of these views, the state should not interfere in public education as long as local school boards can adequately carry out these duties.

Classical economic theory provided ongoing support for the ideology of local control of schools. According to influential eighteenth century economists such as Adam Smith and Jeremy Bentham, decentralised control over the discretionary activities of public entities, such as schools, allows these entities to best produce efficiency, while also providing these services at minimum cost. Such free market reasoning is still widely used by “efficiency-oriented policy makers who traditionally have advocated decentralisation of revenue decisions on the grounds that local school districts would remain more responsive to the values and interests of diverse constituencies” (Mitchell and Encarnation 1984). According to Tresch (1981), the principle of consumer sovereignty underlies the normative theory of public finance with implications “... that the government should serve society as an agent acting in direct response to the preference of citizens.”

Organisational theorists contend that the practice allowed schools to adapt to the diverse conditions they faced in the communities in which they operate. According to this view, a large measure of local control is necessary if the public school system is to fulfil its function in a dynamic society (Holmstedt 1940). The primary value of this organisational structure was that it permitted variety and flexibility in school systems. This view also supports freedom in the school system to experiment, invent and adapt; and contends that these are possible only when external restraints are absent’ (Holmstedt 1940).

More accountability was given to schools in the United States between 1980s and 1990s, when the notion of charter schools was conceived. The school’s charter gives the school autonomy over its operation and frees the school from regulations that other public schools must follow.

In exchange for the flexibility afforded by the charter, the schools are held accountable for achieving the goals set out in the charter including improving students' performance' (RPP International, 2000).

A second major theme that has driven charter school reform is the "neo-liberal" ideology. Advocates of this view argue that the best way to improve public education is to force schools to compete for students / parents by giving them more choices of where their children attend school. From this view, the educational system can only improve by greater deregulation, privatisation, and customer choice. Opponents of this view trace the problem with education to governments' intrusion into the daily operation of schools, thus shielding them from beneficial market forces, especially competition (Chubb & Moe, 1990).

Wells (2002) argues, "...the only remaining hope for charter school reform to have any lasting positive impact on the public education system would be for more progressive members of this diverse and complex movement to recapture the language and symbols of what constitutes a good charter school law. Until that happens, the hope and dreams of thousands of social justice educators and families engage in this reform will be marginalised and reliant on powerful and private markets agents who have never served the most disadvantaged students well. It is time to leave the market metaphor to the market and to focus the educational policy lens on equal opportunities and the very hard work of teaching all students well."

Carnoy et al (2005) argue that the failure of charter schools consistently to raise student achievement confronts school improvement efforts with an important ethical and policy dilemma. They argue that even if some charter schools are excellent, and do a better job of educating children than do regular public schools, this should not be a reason to convert all schools to charter status as the benefit is not worth the harm done by deregulation to children who are enrolled in charter schools that do a poorer job. They contend that bureaucratic rules

probably support as well as depress student achievement, just as the absence of these rules do. A completely unregulated environment, they contend, can harm student achievement, in the same way that an overly regulated environment can.

Another concern is that many charter schools, if freed from bureaucratic rules, will be tainted by fraud and corruption. Mismanagement and hiring unqualified teachers may also be a problem under such deregulation. Carnoy et al (2005) also argue that “charter school zealots tumble by failing to understand that bureaucratic regulations and union rules do not exist for the purpose of suppressing creative practices. They exist primarily for the purpose of preventing corrupt, incompetent, and ineffective practices. Freed from bureaucratic regulations and union rules, many of the best educators can design excellent charter schools; similarly, freed from these rules, many of the worst educators can also design terrible schools.”

1.5 Other Attempts to Privatiser Public Education

There is yet another theme that shaped the demand for privatised public education reform and that is the call for decentralisation and giving more control over governance and decision making to the local school community. Some autonomy has come via charitable development, for example in the UK, Nathaniel Woodard established the Woodard Corporation in 1848 as a result of noticing that the church was providing education for the poorer families, the wealthy had private tutors but the middle classes were being neglected. From the original 10 schools founded by Nathaniel Woodard between 1848 and 1891 today, there are 23 owned, and with the affiliated schools, together educating 27,000 pupils a year.

In Pakistan, by contrast, some elements of privatisation of education under the name of administrative and financial autonomy to government schools and colleges was introduced in 1989. Four prestigious institutions had been selected in the initial phase of privatisation. It was

found later that the scheme of autonomy did not seem to work in the Pakistani scenario. The evidence from a case study (Iqbal, Z. 1995) showed that the grant of autonomous status was not effective in raising the efficiency of teaching staff, the morale of teachers and the quality of education. Additionally there were threats to job security and staff rights in the adopted framework. The parents were also sceptical in relation to the objectives of this programme. The survey respondents reported no change in the college activities, either administrative or financial. There was a continuation of the status-quo except for the fee increase and the constitution of a Board of Governors for each autonomous college. Grave problems in implementation (Iqbal 1995) deemed the programme a failure.

Kersk (2002) conducted a study to explore the efficiency of the private education sector as an alternative to state education in Latvia. The study discussed both positive and negative points of the privatisation of public education and its impact upon Latvia's social development.

Analyses of an authentic voucher system in Chile shows that public schools produce higher quality education as measured by the achievement test scores after the controlling of school resources and the type of student enrolled.¹⁰ Even so, the findings also indicate that each type of school specialises: public schools achieve higher performance with disadvantaged children while private schools produce higher scores with high quality students (students whose parents have high education levels or students who have higher scores initially). Furthermore, greater competition may lead to higher quality education, but the size of the effect is larger for private schools. Moreover, it appears that competition promotes municipalities to spend more wisely on education from their own-source revenues and this additional spending raises public-school scores in competitive areas. Hence, public schools may respond to competitive pressures even

¹⁰ Source: a study co-ordinated by the EI regional office in Latin America. It focuses on the process and outcomes of privatization of public education institutions

though they are hindered by a centralised, more bureaucratic administration than private schools. Competition itself may deserve greater emphasis than traditional privatisation arguments for improving the quality of education.

Current reform efforts in education are directed at the development of new models of school administration which stress collaboration among teachers, and school-based management which includes community members, parents, and businesses (Caldwell, 1997; Hargreaves & Evans, 1997; Leithwood & Duke, 1998). Unfortunately, while the intent of such reform may be to meet the learning needs of students, there has been limited evidence that such efforts result in the improvements anticipated (Cranston, 1994; Fullan, 1993; Murphy & Hallinger, 1993; Sergiovanni, 1995). Additionally, while there has been much attention given to the change process and school improvement, the evidence related to the impact of these efforts has also been discouraging (Brown, Button, Noseworthy-Button, & Sheppard, 1997; Redding & Catalanello, 1992; Stoll & Fink, 1996). It was within this context of scepticism toward the corporate governance of the privatised educational sector that the researcher explored the reform process in Qatar.

Summary

The researcher approached the literature review from three perspectives: privatisation and corporate governance models, privatisation of public education and corporate governance models and lastly privatisation of public education in Qatar and the corporate governance model used for the delivery of the educational reform in the country. To develop the literature review, many important professional articles and academic papers were identified and analysed. The researcher's approach to the literature review follows Hart (1998) in that the literature reviewed must provide a methodological rationalisation for the research.

PART TWO

The Organisation of the Research

Chapter IV

1. Introduction

After the research questions were developed and revised, the researcher considered several research design choices that could cater for the primary and subsidiary research questions. A qualitative approach was deemed best and the case study design was chosen for the study. It was important that the researcher conduct three case studies, each contributing and answering one or more of the research questions culminating in the pinnacle case.

Choosing a professionally-led model to test the corporate governance structure in Qatar, COSO framework, was challenging because of the limited literature available on the applicability of COSO in general and in a large public sector in particular. Access to vital information relating to the sensitive areas such as financial data was not an obstacle for the researcher by virtue of the researcher's position as a member of the Supreme Education Council in Qatar; hence this research falls into the elite research category. Interviewing elites when the researcher is a member of the elite circle proved helpful when tested against other sources of information, such as documentary data. It provided the researcher with information that went beyond written reports and archival documents.

The researcher's decision to use a personal research diary supplemented the design strategy. It served as a validation tool to other data sources like interviews and documentary data. Personal observation, along with the personal diary, culminated in a post-case study focus group of key informants that helped explore the issue of further learning.

2. Research Questions

The overall research question under investigation is:

What are the roles and challenges of corporate governance structures in contributing to the development and establishment of Qatar's unique privatised education system?

The researcher chose to investigate this topic because corporate governance aspects in the educational reform in Qatar came as an afterthought. It was only after problems relating to control surfaced that the SEC started addressing shortcomings of the corporate governance structure. The researcher, as an informed observer/participant, was a good candidate to conduct such research.

From the above general question, three research questions are examined in this thesis:

1. What was the context within which the privatised education system was introduced, and with what governance structures and mechanisms?
2. How effective is the developing pattern of internal controls within the education system, post privatisation, when compared with an independent professionally-based framework (COSO) for an internal controls approach to corporate governance?
3. What challenges remain for the corporate governance mechanisms, to enhance the progress of the new education system?

For each of these three questions, operational research questions appear:

1)

- How do political and social institutional contexts interact with or affect ownership and governance structures?
- How well does the new system, and its corporate governance mechanisms fit with the existing external environment; and facilitate the interaction between government and the private institutions?

2)

- How do the new corporate governance mechanisms impact on the delivery of public education, including contingency for failure by an individual school?
- What does applying the COSO model indicate about parental and other stakeholder contributions?
- To what extent has the corporate governance approach helped to prevent fraud, corporate scandal and potential civil and criminal liability questions?
- To what extent is the corporate governance approach able to act, pro-actively, to identify potential problems before they occur?

3)

- What further challenges for the corporate governance system are indicated from the study of development to date?
- What lessons may be drawn for other nations contemplating a fully privatised education system?

Table 3: Research Design Choices and Implementation Methods

Overarching Research question	Primary research questions	Subsidiary research questions	Research design choices	Implementing research methods
What are the roles and challenges of corporate governance structures, in contributing to the development and establishment of Qatar's unique privatised education system?			<p>A single-nation case study</p> <p>Privatisation of Qatari schools system, 2005-2009</p> <p>Comprising 3 interdependent and consecutive sub-cases</p>	<p>"Insider" research approach;</p> <p>Variation on elite research</p>
	1. What was the socio-economic context within which the privatised education system was introduced, and with what governance structures and mechanisms?	<p>1A What socio-economic factors supported the move to schools' education privatisation?</p> <p>1B Which institutions helped or hindered the development of the policy as a governmental reform?</p> <p>1C Why was a new governmental institution created and with what corporate governance tasks?</p> <p>1D How prominent was the focus on corporate</p>	<p>Sub case 1 (i)</p> <p>The initiative, creating or resisting the impetus for the policy.</p> <p>The RAND corporation and the Qatari Ministry of Education.</p> <p>(questions 1a, 1B and 1C)</p> <p>Sub-case 1(ii)</p> <p>The strategy: the roles and structural development and corporate governance activities of the Supreme Education</p>	<p>Documentary material: government documents, other published documents, media reports.</p> <p>Key informant interviews</p> <p>Documentary material: government documents, other published documents and media reports.</p> <p>Key informant</p>

Overarching Research question	Primary research questions	Subsidiary research questions	Research design choices	Implementing research methods
		<p>governance aspects in the new structure and system being created?</p> <p>1E How well does the new structure and its CG mechanisms fit with the existing external environment?</p> <p>1F How well does the new structure facilitate the interaction between government and those private institutions and firms running schools?</p>	<p>Council (+ Ed, and Eval institutes).</p> <p>(questions `1C, 1D and 1F)</p>	<p>interviews</p> <p>(Observation)</p>
	<p>2. How effective has been the developing pattern of internal controls within the education system, post-privatisation, when compared with an independent professionally-based framework (the COSO model) for an internal controls approach to corporate governance?</p>	<p>Using COSO as a benchmark.</p> <p>2A. How do the new, internal corporate governance mechanisms impact on the delivery of public education, in relation to parental and other stakeholder contributions?</p> <p>2B. To what extent do internal CG mechanisms</p>	<p>Sub-case 2</p> <p>Implementing the strategy: operationalising privatisation of Qatari schools, the products and processes.</p> <p>(questions 2A-2D)</p>	<p>Documentary material published/unpublished with access (SEC and related documentation).</p> <p>Key informant interviews from the range of stakeholders – SEC members and staff, employees in the Education and Evaluation Institutes, former Ministry of Education, new Minister of Education</p>

Overarching Research question	Primary research questions	Subsidiary research questions	Research design choices	Implementing research methods
		<p>provide for the contingency of failure by an individual school/company?</p> <p>2C To what extent have the internal CG mechanisms helped to prevent fraud, corporate scandal and potential civil and criminal liability questions?</p> <p>2D How, if at all, has the CG mechanisms and system been able to act pro-actively, to identify potential problems before they occur?</p>		<p>Purposive (snowball) interviews with parents.</p> <p>Purposive (snowball) interviews with providing firms' employees (heads, others?).</p> <p>Interview/observation accounts from selected schools</p>
	3. What challenges remain for the corporate governance mechanisms to enhance the progress of the new education system?	<p>3A What further challenges for change, in the CG system underpinning the privatised education system, are indicated from this study to date?</p> <p>3B what lessons may be drawn from this study for other nations contemplating a fully privatised schools' education system?</p>	<p>Researcher reflection on field findings, against the 'lesson drawing' literature.</p> <p>Researcher reflection from own field diary.</p>	Use of final 'wash up' focus group of key informants.

3. Significance of the Research

The researcher hopes that this study will bridge the rift between academic-led literature and professional-led literature and suggests an integrated approach that can address 21st century complex corporate governance structures in an educational context.

The researcher sees a situational approach to governance challenges which continues to progress according to different environmental forces. This study will also add to the scant literature on the applicability of COSO model in general and the applicability of COSO on a large sector such as education. This study will further help countries explore the new avenue of privatising public education by examining a corporate governance system that emerged to cater for the privatised public education model in Qatar.

It is hoped that the research findings and analysis from this study can be used by education and administrative training programmes in the delivery of privatised public education. The case study yielded some potential lessons and showed the significance of mirroring successful attempts at privatising, not only in education but in other sectors.

4. Methodology

Qualitative methodology is employed in this research. Strauss and Corbin (1990) defined qualitative research as any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification. They indicated that the analysis in this type of research is a qualitative one that involves a nonmathematical analytic procedure that results in findings derived from data gathered by a variety of means. Earlier Merriam (1988) had identified some assumptions that undergird qualitative research. She described qualitative research as assuming that there are multiple realities – that the world is not an objective thing but rather a highly subjective phenomenon in need of interpreting rather than measuring. She argues that beliefs rather than facts form the basis of perception and that

research is exploratory, inductive, and emphasises processes rather than ends. In this paradigm, she contends, there are no predetermined hypotheses, no treatments, and no restrictions on the end product. She also explains that one does not manipulate the variables or administer a treatment.

Qualitative methods of data collection and analysis employed in this research allowed the researcher to reach an in-depth understanding of the complex factors that influence the choice of corporate governance structure for privatised public education in Qatar. The research design employed interviews with the majority key players. Situations and settings in which strategic decisions regarding aspects of the corporate governance system are looked at, also clues as to the rationale behind the decisions are mentioned.

5. Case Study

The researcher contends that the study of corporate governance in public education is well suited to case study because it satisfies the recognised need for conditional findings and in-depth understanding of cause and effect relationships that other methodologies find difficult to achieve.

Over time, the term case study has been applied to an increasing group of studies. Adams and White (1994) define case studies as “research conducted within a single agency or political jurisdiction, or research that spanned a handful or less of single agencies or political jurisdictions for comparative purposes”.

The case study design entails the detailed and intensive analysis of a single case. As Stake (1995) observes, case study research is concerned with the complexity and particular nature of the case in question. Knight’s and McCabe (1997) suggest that the case study provides a

vehicle through which several qualitative methods can be combined, thereby avoiding too great a reliance on one single approach.

According to Yin (1989), “. . . the distinctive need for case studies arises out of the desire to understand complex social phenomena . . . real life interventions that are too complex for the survey or experimental strategies.” More specifically, Thurman (1990) indicates the following characteristics of case studies that make the use of this research design particularly useful for this study:

- data are collected by multiple means;
- few entities are examined;
- the complexity of the unit is studied intensively;
- case studies are more suitable for the exploration, classification and research questions development stages of the knowledge building process;
- no experimental controls are involved;
- changes in site selection and data collection methods could take place as the investigator develops new research questions;
- case research is useful in the study of “why” and “how” questions because these deal with operational links to be traced over a period of time rather than with frequency or incidence;
- and the focus is on contemporary events.

As indicated above, case studies are suitable for the exploration, classification and hypothesis development stages of the knowledge building process (Yin, 1989) which in turn makes case study a well suited design for this study.

Yin also suggests that empirical research advances only when it is accompanied by logical thinking, and not when it is treated as a mechanistic endeavour. He indicates that case studies are preferred when “how” or “why” questions are being posed, when the investigator has little control over events and when the focus is on contemporary phenomena. He categorises case studies as exploratory, explanatory or descriptive. The previous preference applies to the study in question which seeks to answer “how” or “why” questions with no control over the events.

Alexander L. George and Andrew Bennett (2005) present a strong defence of qualitative methodology. In their book “Case Studies and Theory Development in the Social Sciences” (2005), they touch on a wide range of theoretical, methodological and philosophical issues and provide guidance for the analysis of case studies, they also explain the ways in which case study research can contribute both to theory development and to theory testing.

According to Bryman (1989), case study research can usually focus on a work site (organisation or department), events and activities or a person. A number of classic case studies into work sites have been undertaken in management, including Blau's study of bureaucracy and Gouldner's investigation of a gypsum plant. However, as Bryman suggests, case study research went into decline in the 1960s in the quest for a scientific study using experimental and survey investigations.

An excellent example of detailed case analysis is provided by the book by Dawson and Palmer (1995) which utilises case studies to examine the process of organisational change.

Dawson and Palmer's work illustrates how a number of cases can be used to demonstrate different approaches to the organisational change process. The authors develop a model of organisational change which they then integrate with the cases.

Case studies can incorporate several different methods, including participant observation, structured or unstructured interviews and examination of documentary material. The researcher hopes to do the aforementioned in order to capture the interaction between the subunits.

5.1 Typology: Pre-Post Case Studies

In exploring the corporate model for public education, the research had to have a longitudinal element to provide a different type of information other than the snapshot study. This type of study is a time-ordered analysis of events that occur during a period of the entity's history (Dilulio 1994; McCurdy 1991; Ross and Staw 1986). Longitudinal case studies may be quantitative or qualitative in character and may involve a formal report and analysis of critical events or processes. In the case of the privatised public education model, the focus was on changes that occurred organisation-wide, in sub-units of the organisation, or on responses to external factors that influenced outcomes (Wood 1988). Because time was the organising device and the dynamics of change were the primary focus, longitudinal case study design is well suited for this research; the full experience of an entity is reported from the introduction of the privatised public education model.

Even so, the privatisation of public education goes a step beyond the longitudinal design to provide evidence on the outcomes of implementing a particular programme, policy, or decision; therefore, the researcher decided that the pre-post case study is in fact better suited for the topic of the research; it is longitudinal in design, but it also includes an assessment

before implementation of the programme, policy, or decision and follow-up assessment after implementation. Pre-post case studies are more sophisticated in the sense that causal inferences can be drawn; once results are systematically aggregated, cause-and-effect assertions become possible.

There has been much debate among scholars regarding the appropriate number of case studies. Some say the more the better, as long as the benefits of an additional case – in terms of generalisability generation – outweigh the burdens of actually doing it (Swanborn, 1996). On the other hand, some think the number of cases does nothing to serve the generalisability issue. Miles and Huberman, (1994) contend that generalisability does not change because the researcher is generalising from one case to the next on the basis of a match to the underlying theory, not to a larger universe. The researcher contends that this research entails the study of three linked and consecutive cases culminating in a pinnacle case study after which conclusions will be drawn.

Case study work also helps bridge the gap between academia and industry. During the research, the researcher sensed the enthusiasm of the people working in the education sector and their eagerness to know the results of the study. The findings of case study research indeed tend to be widely accepted by industry. This may be related to the style of writing which is often more readable than is the case with much quantitative research.

The use of interviews allowed the researcher to gain rich insights into issues which are normally not amenable to questionnaires. The unstructured interviews, or parts of interviews, enabled participants to tell real stories; and observation – particularly of team meetings and presentations – permitted the researcher to see, analyse and interpret real activities.

Case study research also helped the researcher build up a network of people who proved very useful to the study. Personal contact enabled long-term relationships to be maintained, permitting longitudinal material on organisations to be documented and allowing observation over a period of time. Questionnaires usually reach only one person, whereas an extensive case study programme can involve many interviews with a cross-section of people.

5.2 Difficulties and Limitations of Case Study

There are a number of difficulties the researcher identified with the case study method. The obvious difficulty is the time consuming nature of such research. It was important that the fieldwork be done by the researcher and not by research assistants because of the nature of elite research. Participants responded better to the researcher. Hence, for example, the fieldwork part of the pilot study research occupied the researcher on a full-time basis for more than two months.

Quantitative advocates may tend to see case studies as lacking academic rigour. This problem is compounded where the case is considered to be unique to the particular phenomenon investigated, as is the case with this research. Alternatively, where several cases in different organisations focus on a similar theme, more reliable generalisations can be made. In this regard, the researcher approach was to compare the three different stages the education sector went through in Qatar; each of these stages was studied as an individual case study.

Another problem the researcher tried to guard against was that the researcher had the tendency to be too descriptive in the case reports. Moreover, because the case was developing, case studies included in this research captured the experience of the organisation

only at a particular period in time. Changes that will take place might make conclusions reached in this case dated.

As with most case studies, caution had to be exercised in gaining the trust and support of the organisation. Because of the researcher's position, the researcher was usually given a high degree of access to the organisation documents and personnel; however, when people at lower levels in the organisation were interviewed, they were at times reluctant to be open with comments if they considered those comments likely to reach management levels. Dealing with this difficulty requires tact and allowing people to read draft papers prior to public release to check for confidentiality. Also a brief summary proposal by the researcher; and a list of what the sector stands to gain from participating in the research was presented to the organisation.

However, one question on which a great deal of discussion has centred, in regard to case study as mentioned earlier, concerns the generalisability of case study research. How can a single case yield findings that can be applied to other cases? The answer is that they cannot. It is important to appreciate that it is not possible to identify typical cases that can be used to represent a certain class of objects whether it is schools, principals or critical events. Nevertheless, the researcher agrees with those who claim a degree of theoretical generalisability in regard to case studies. For example, in her study of Indsco Supply Corporation, Kanter (1977) explains that the case enabled her to generate concepts and give meaning to abstract propositions, which she then sought to test in three other large corporations.

Another limitation relates to the generalisability of this particular case study. Because the designing and implementation process of the existing corporate governance system entailed

real costs, these costs made implementation considerably easier for such an oil rich country that may have more resources to spare than a less rich country whose resources may not be as abundant. Some of the costs include hiring dedicated staff such as corporate secretaries, experienced and independent directors, internal auditors, or other governance specialists. It required the payment of fees to external counsel, auditors, and consultants. The costs of additional disclosure were significant as well. Furthermore, it required considerable managerial and supervisory board time, especially in the start-up phase. Nevertheless, while the findings of this study cannot be generalised in relation to other countries, the rich description that results should enable them to understand the role of corporate governance in privatisation of public education and adopt aspects of it.

5.3 The Challenge: Communicating the Results

A further challenge with regard to case study research is communicating the wealth of information acquired. Writing the results of the case can be carried out in several ways; the first is descriptive. The second is to combine analysis and description where, for example, direct quotations from interviews can be included and analysed. Another approach is to document the details of the case and then to discuss their implications. Yin suggests two alternative strategies for case analysis: relying on theoretical propositions and developing a case description.

Where several cases are examined simultaneously, comparisons, contrasts and themes can be discussed analytically in the case study report although issues and implications were addressed by the researcher in an analytical section. Analysis of the case study data is guided by the research question. In the researcher's own case, the material was largely exploratory, with subsequent analyses focusing on conceptual and theoretical development. In other cases,

a theoretical framework may be constructed prior to commencing a study of the cases so that data collection is designed to shed light on the model.

6. Validity and Reliability

Yin (1989) described the necessity for the creation of case study designs which provide: construct validity, internal validity, external validity, and reliability. Construct validity deals with the use of instruments and measures that accurately operationalise the constructs of interest in a study. Because most instruments and measures are not necessarily as accurate as desired, a common strategy is to use multiple measures of the same construct as part of the same study. The assurance of dependable results or reliability was described by Merriam (1988) in her reference to Lincoln and Guba (1985) who suggest thinking about dependability or consistency of results when considering reliability. In this case, the desired outcome is that readers agree that given the same set of data and circumstances the outcomes described make sense. Techniques used in this research to assure reliability include: detailing the investigator's position in the research process; utilising triangulation in data gathering and creating an audit trail in detail as it emerges during the data collection period. The researcher's personal diary proved a very viable source of validation, as it helped the researcher check the reliability of documentary data as well as data obtained from interviews.

Regarding internal validity, Merriam (1988) noted that there are six basic strategies that ensure internal validity. These include triangulation: member checks; long term observation at the research site or repeated observations of the same phenomenon; participatory modes of research and consideration of researcher bias. This research study includes some of these validity checks.

Triangulation results from the use of multiple data collection methods including interview, observation, and document collection and analysis. Repeated observations will be included in the research design. Participant input and researcher bias will also be considered in the research design and analysis. Stake (1995) contends that there are four types of triangulation:

- Data Source Triangulation: to see if what is being observed and reported carries the same meaning when found under different circumstances.
- Investigator triangulation: where other researchers concur with or refute the interpretation.
- Theory triangulation: where reviewers from alternative viewpoints look at the same data.
- Methodological triangulation: where multiple methods focus on the same phenomenon.

Yin (1994) agrees with the four types defined by Stake, but is more confident of the ability of triangulation to deliver a fact. The difference between Stake and Yin in terms of triangulation can be seen in the following diagrams. Below are two figures showing the difference between Yin's (1994) view of triangulation and Stake's (1995) view of triangulation. The latter contends that "case study is the study of the peculiarity and complexity of a single case, coming to understand its activity within important circumstances," and that, "the time we spend concentrating on the one maybe a day r a year, but while we so concentrate we are engaged in case study" (Stake 1995). According to Stake (1995) triangulation includes, "data triangulation (from other sources), investigator triangulation (use of observers), methodological triangulation (using multiple sample types and sources)."

During this study the researcher planned to use triangulation as part of the empirical data gathering activities. The four types of triangulation mentioned in Stake (1995) are used in this study:

Data Triangulation:

Multiple sources are used such as published material, interviews conducted with case study participants, observations made by the researcher and focus group meetings aimed at tracking the progress of the research.

Investigator Triangulation:

Observers were used in the initial data-gathering phase to ensure the integrity of the data-gathering activities of the research.

Theory Triangulation:

The researcher refers to various theories in the construction of the qualitative data-gathering activities and in the construction of the specific story telling initiatives which is found in part of this research. Similarly, various theories contributed in the construction of the maturity measuring assessment.

Methodological Triangulation:

The researcher achieved this type of triangulation through qualitative methods such as the use of a variety of data-gathering tools, interviews, observation and triangulation of data sources.

Figure 5: Yin's View of Triangulation (1994)

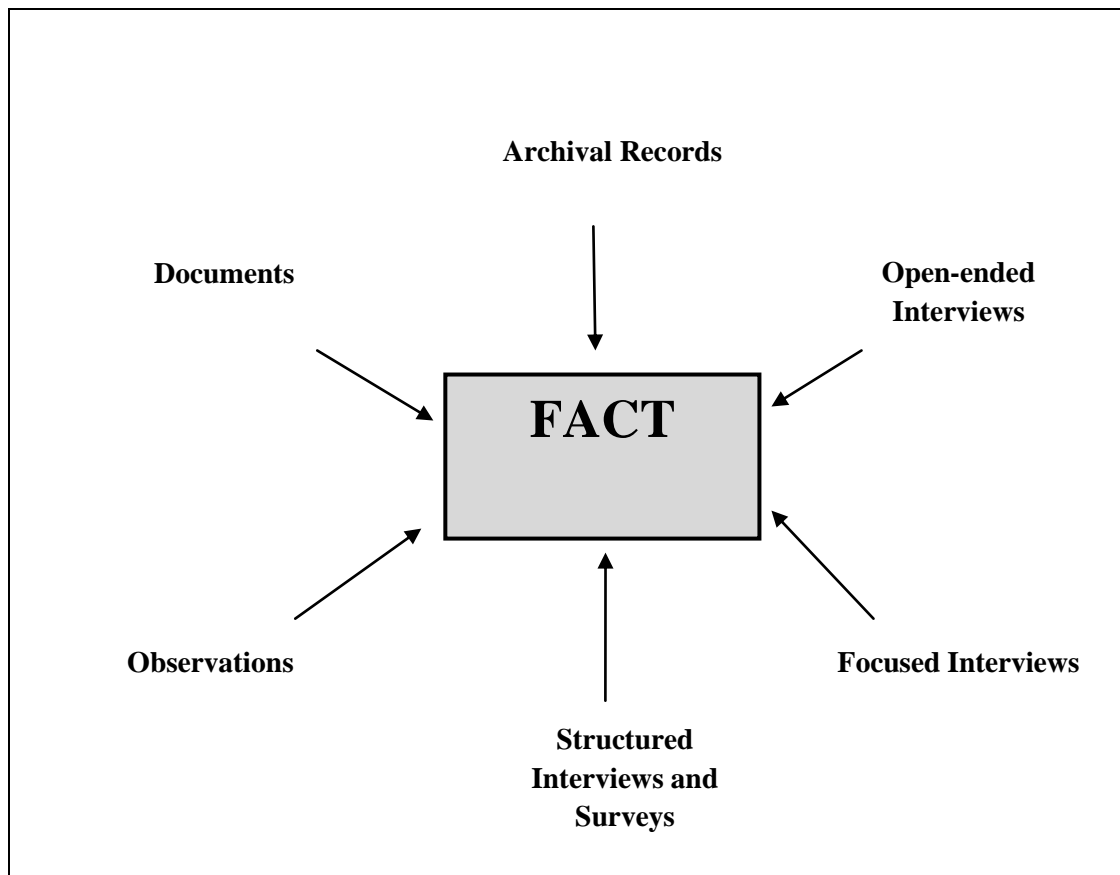
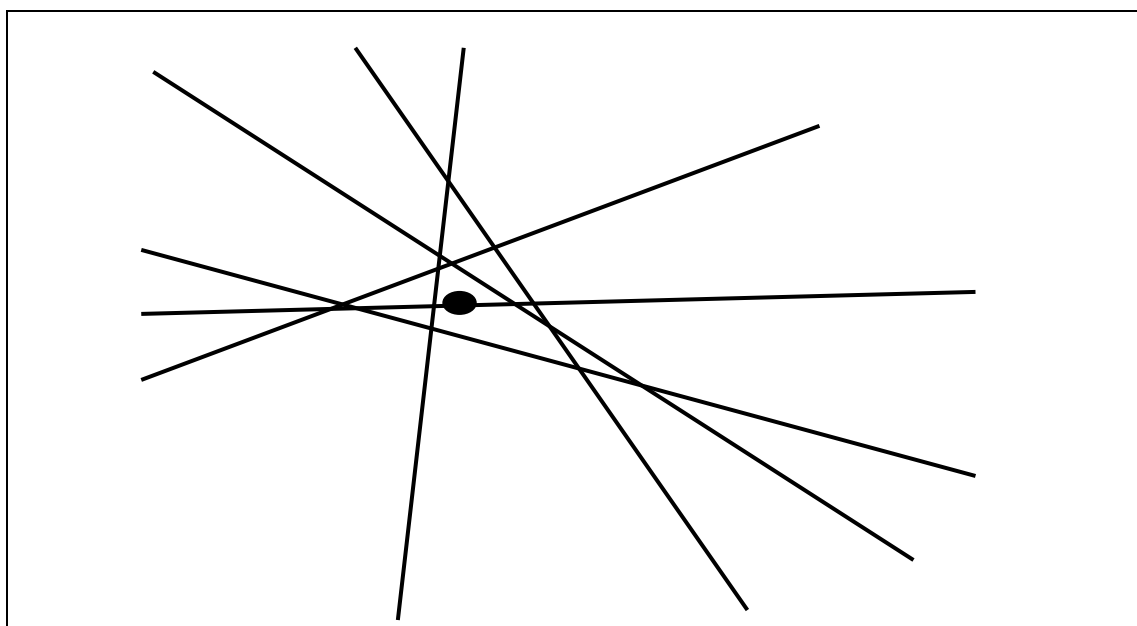


Figure 6: Stake's View of Triangulation (1995)



External validity produces results that may be generalised by the reader or user according to Merriam (1988). The reader generalises as the findings apply to their needs or as they recognise themselves. To enhance this external validity, this study will provide rich, thick description so that transferability is possible by the interested reader. The researcher continued to observe and to collect data until saturation.

7. An Insider View

In their study, Gioia et al. (1994) gave priority to the insider's perspective, in order to overcome the 'arrogance that researchers tend to adopt towards their subjects'. Harfield and Hamilton criticised the detached outsider approach of statistical methodology. "This predilection of seeing through the eyes of the people studied in the course of qualitative research is often accompanied by the closely related goal of seeking to probe beneath surface appearances." Dalton's (1959) research of the informal organisation found that unofficial reward obtained through pilfering and organisational theft was defined differently by managers depending on their position in the organisation.

There are several ways of getting an inside look at the organisation studied, the most popular is participant observation (assuming a role in the situation & getting an inside view of the events). The problem with this approach is that even when access is granted, it is a limited. Seldom do researchers gain access to sensitive information; especially if the access is only limited to top management.

Merton (1972) is of the view that no matter what methods they use, non-insiders may be unable fully to access and understand the values, meanings and worldviews of those they study. No amount of qualitative interviews or temporary involvement, he argues, can

compete with the privileged view possessed by genuine insiders. He Labels this perspective “The Insider Doctrine”. While Merton’s discussion focuses largely upon the adoption of the insider doctrine in the development of ‘black studies’ in the United States, the position can be associated with various other topics. Hayano (1982), on his ethnographic study of poker players, asserts that being a player himself for many years was essential to the ability to present an authentic insider’s view. Kremer (1990) argued for the exclusion of men from feminist research in order to avoid the false information that would result from their lack of insider experience.

Wolcott explicitly warns against any such assumption, arguing that “there is no monolithic insider view . . . There are multiple insider views, multiple outsider views. Every view is a way of seeing, not the way” (1999). The researcher’s support of the notion of insider research, as a means to conceptualise research situations, is that researchers who find themselves in such a situation have privileged access to an insider truth. Insiders should exploit the valuable additional resources at their disposal.

Furthermore, insider researchers may be particularly well placed to use their experience of the culture in the organisation, to make reasonable judgements as to which elements of the research might be worthy of their explorative energies (Roseneil 1993). Additionally their background knowledge of the organisation helps save them time. In the researcher’s early planning stages of the research, for example, the researcher was heavily influenced by an increasingly popular body of existing literature that examined the educational sector in Qatar, however, the researcher was able to recognise from the beginning of the research that confining the analysis to the in-depth dynamics of the Ministry of Education prior to 2000 may have resulted in shifting the focus from the important elements of the reform. The

researcher hence focused the research on the reform while describing a few elements of the organisational structure prior to 2000.

Also as an insider researcher, the researcher's chances of recognising the reform's corporate governance model significance at an early stage were particularly high. Moreover, the insider researcher had maximum initial awareness of what aspects of the reform may be most useful to be examined. In this respect, although they do not have access to the insider truth, insider researchers may again find themselves in a useful position; this is because, having experienced activities, motivations, feelings and affiliations that are liable, at least, to be comparable with those of many respondents, they have a significant extra pool of material with which to compare and contrast what they see and hear during the research process. No matter how skilled or adaptive they are, non-insider researchers, seeking to learn about and temporarily immerse themselves in an unfamiliar cultural grouping, are liable to find themselves heavily reliant upon what they are told by participants and, in particular, key informants (Davies 1999). As a consequence, there is a danger that they may be drawn towards problematic interpretations by respondents who, through dishonesty, exaggeration or misplaced speculation, offer misleading or unrepresentative accounts of their own or other people's experience. In contrast, the ability of insider researchers to examine the accounts they receive from respondents in the context of their own history of experiences and interactions may enhance their ability to judge the sincerity, motivations, applicability and significance of what they are told (Roseneil 1993).

Some researchers contend that insiders should guard well against bias; they might be inclined to either see an enhanced picture of the way they imagine the organisation to be. In contrast,

the researcher's existing role as a participant provided elements of experience that led to greater caution regarding participants' claims.

In some situations elements of the researcher's insider experience, combined with appropriate theoretical tools, prompted greater scrutiny of participants' claims and more extensive and varied questioning around issues. Even so, the researcher tried to avoid over-reliance upon such experiences as they may lead to equally significant difficulties. Most obviously, those who fail to achieve the aforementioned transition from insider to insider researcher may indeed suffer problems of "over-rapport" and lack the ability or motivation to critically analyse the perspectives or activities of participants (Hammersley & Atkinson 1995). In the case of the SEC, there may be a danger that the researcher will be unable to disconnect herself from group ideologies or, that as a result of a sense of loyalty, begin to take on the role of what Bennett terms "subcultural spokesperson", rather than that of critical analyst (Bennett 2003).

Meanwhile, for those who do find themselves able and willing to take a critical perspective, there remains a more general danger of over-reliance upon one's previous insider experience as the basis for such a perspective. This may result in failure to recognise elements of culture that insiders tend to take for granted, or in the excessive imposition of existing viewpoints and experiences in the course of verifying and interpreting data more generally. In other words, rather than being regarded as a valuable additional resource, there is a danger that insider experience may start to become 'an end in itself' (Bennett 2002), and, as such, a liability.

In the interests of maximising the usefulness of their interpretations, the researcher utilised her personal experience selectively, without being confined to it. An ability to adopt a more

distanced, analytical perspective, or to “see the familiar as strange” (Foster 1996), may be crucial both in respect of the research agenda and the interpretation of data. Such ‘stepping back’ may require more than merely a period of deliberate separation from the field prior to or during the course of writing up. Ideally, the insider researcher should combine insider experience with more distanced perspectives throughout the project. However, in the researcher’s case, there was no such initial gap, yet the researcher found that the practicalities of taking field notes and conducting interviews, alongside the researcher’s continual attempts to reconcile observations with theoretical questions, enabled the researcher’s viewpoint to shift from that of insider to that of insider researcher.

While the means through which “distanced” viewpoints are accessed may vary from case to case, it is clear that insider researchers must learn to avoid over-estimating the extent of their initial insight. Ensuring that one’s position of social proximity is beneficial rather than problematic requires an on-going reflexive and reactive approach to the ways one is positioned and the potential implications of these throughout the research process (Charlotte Davies, 1999). Previous experience and preconceptions, then, can often be utilised as a means to guide elements of the investigative process and to assist in the interpretation and verification of data, but should not be relied upon to the extent that, by themselves, they start to shape findings and conclusions.

It has not been the intention of this research to propose the notion of insider research as an appropriate descriptor for every situation, neither has the researcher sought to argue that the elements of social distance, which sometimes will position researchers as outsiders to the cultures they study, ought to be regarded as overwhelming barriers to effective research. Needless to say, research by non-insiders has been and will remain effective in some cases. In

essence, this research has argued that the position of insider researcher may offer significant potential benefits in terms of practical issues such as access and rapport, at the same time as constituting an additional resource that may be utilised to enhance the quality of the eventual understandings produced. Crucially, however, the securing of such benefits is at least as dependent upon the researcher element of this dual identity as the “insider” element. Insider researchers, then, must utilise a careful, reflexive research approach to ensure that any potential benefits of their initial proximity are realised without the emergence of significant difficulties.

8. Elite Research

The researcher argues that in this research it remains vital to focus on key individuals as agents within their organisation in an attempt to understand functions in the organisation through elite research and elite interviewing. Albeit most international business researchers interact with elite informants at some stage of their fieldwork, the challenge of conducting in-depth interviews with influential elites has received far too little scholarly attention (Marschan-Piekkari R.; Penttinen and Tahvanainen, 2002). A lot of researchers in the 20th century like C Wright Mills (1956), Tom Bottomore (1964) and Anthony Giddens (1974) highlighted the study of elite, however, little attention was paid to it in the past thirty years and only a few still utilised it like (Windolf, 2002).

This research aimed at exploring the advantages and limits of current elite research, and departs from available literature in that it highlighted the viability of elite interviewing elite, given the researcher’s SEC membership. Elite-on-elite is an approach whereby an elite uses elite research interviewing. This research argues the case for a resumption of elite studies in a new kind of frame. The researcher is part of the elite and the advantage of an elite

interviewing elite is that the subjects are likely to know the extent of inside knowledge by the person interviewing and hence resort to a somewhat more truthful answers rather than try to polish some parts to make them look more attractive or to defend their positions.

Early studies of business elites, including a 1974 study by Whitley of industry elites defines elites as sets of individuals in positions of authority over major social organisations sharing to some minimum degree, common perceptions, beliefs and values (Whitley, 1974). Pettigrew (1995) defines business elites as “those who occupy formally defined positions of authority... in private and public organisations”. Wright Mills argued that ‘we may define the power elite in terms of the means of power - as those who occupy the command posts’.

In regard to alternative sampling approaches, it has been argued that it is more appropriate to employ non-probability sampling techniques for identifying elite interview subjects. Interview respondents are chosen not just by virtue of their positions and their known involvement in the process of interest, but also by virtue of their reputation among their peers.

Elite interviews also contribute towards the research goal of triangulation, where collected data was checked through multiple sources to increase the robustness of the findings. The triangulation strategy increased the credibility of findings that were supported across multiples sources, and revealed the weakness of some sources that might otherwise have been viewed as reliable. Conducting interviews with elites therefore served the purpose of confirming the accuracy of information that was previously collected from other sources.

Elite interviews provided the researcher with new information that advanced the research process. One such additive function of elite interviews was to establish what key people thought, what their attitudes, values, and beliefs were. While it would have been possible to

obtain this information from other sources, the interview format allowed the researcher to probe respondents at length regarding their thoughts on key issues relevant to the research project. As opposed to surveys, interviewing worked better with elites, the researcher contends. It allowed for open-ended questions and enabled the respondents to talk freely, without the constraint of having to answer according to fixed categories. Researchers can thus gather rich detail about the thoughts and attitudes of key elites concerning the central issues of the research project.

One of the strongest advantages of elite interviews was that they enabled the researcher to interview first-hand participants of the processes under investigation. Talking directly with those involved and gaining insights from key participants allowed the researcher to probe the subjects, and thus move beyond written accounts that often represent an official version of events, and gather information about the topic in question.

Other advantages of elite interviews relates to the particular weaknesses of archival documents, as interviews compensate for both the lack and limitations of documentary evidence. Governmental secrecy rules can at times ensure that key documents are withheld from public analysis. Furthermore, even when relevant archival material is available, documents can still have some weaknesses that the researcher must remain aware of. In particular, documents can often be incomplete, and can thus present a misleading account of the events they relate to. By presenting the official version of events, documents often conceal the informal processes and considerations that precede decision making. They may also present decisions in a way that implies consensus and agreement, when the reality may be that disagreement was extensive and that other, undocumented, decisions may have been considered extensively.

Yet elite interviews have their own limitations and weaknesses as well as strengths. As George and Bennett (2005) highlight, it is necessary to critically assess and weigh the value of collected data, recognising the pitfalls that may limit the usefulness of such information along with its benefits. While interviews can in many circumstances compensate for the distortions that exist in written sources, it is also sometimes the case that interviewees can misrepresent their own positions in ways that raise questions over the reliability of their statements. In particular, they may attempt to slant their accounts, and inflate or minimise their own role in an event or process depending on whether there is political capital to be gained or lost from association with the issues in question. Also, in their discussion of “instant histories”, which rely extensively on interviews with policymakers in the immediate aftermath of a particular event, George and Bennett observe that policy-makers have an incentive to adapt their accounts in order to portray a careful image to the public. It has also been noted that civil servants in some countries are prone to under-representing their role in political decision-making. Furthermore, in many cases interviews will be held some years after the events of interest have taken place, and simple lapses of memory can also limit the usefulness of one-to-one meetings (Julie Froud, Mike Savage, Gindo Tampubolon, Karel Williams 2006).

A further limitation came from elite interviewing non elite. Intimidation and job security proved obstacles in enlisting some sensitive information from participants. The researcher in some instances resorted to triangulation to overcome this limitation.

As a result of these limitations, it became incumbent on the researcher to be aware of the possible drawbacks that came with conducting interviews, and critically evaluate any interviews that are carried out in the research process. In order to evaluate such interviews, however, it is necessary to have criteria against which such interview data could be assessed.

George and Bennett themselves provide one framework for assessing the evidentiary value of primary sources, and counsel that researchers should ask four questions when considering particular documents or interviews: who is speaking - who are they speaking to - for what purpose are they speaking - and under what circumstances?

Another set of principles of evaluation has been proposed by Davies, who suggests more specific criteria that need to be met before elite interviews can be considered reliable. Davies contends that the information obtained should be from a first-hand witness, with senior level elites to be viewed as more reliable. Dexter discusses the evaluation of interview data in broad terms, citing a range of factors to be taken into account, including the style, manner, experience and social position of the interviewee and the comprehensibility, plausibility and consistency of their testimony.

For research studies that seek to enlist information at the elite level, where a limited set of actors are involved in decisions and actions, a sample of the group is chosen to make studies feasible and retain the possibility of making statements that concern the wider group. Limitations on time and resources made it difficult to interview all those who played a role in the process. The researcher aimed at interviewing those who had the most direct involvement, and who were critical players in the events in question.

The researcher used purposive sampling, however, resorted to snowball/chain-referral sampling at times. Purposive sampling is a selection method where the purpose of the study and the researcher's knowledge of the population guide the process. The study entailed interviewing a pre-defined and visible set of actors, the researcher was in a position to identify the particular respondents of interest and sample those deemed most appropriate for the research needs. As Kidder et al suggest, the basic assumption of purposive sampling is

that with good judgement and an appropriate strategy, researchers can select the cases to be included and thus develop samples that suit the needs of the study. Snowball sampling method is particularly suitable when the population of interest is not fully visible; this method is used in the study of elites, where the most influential political actors are not always those whose identities are publicly known. Regarding the snowball, or chain-referral sampling, the researcher identified an initial set of relevant respondents, and then requested that they suggest other potential subjects who have relevance in some way to the object of study. This second set of subjects was then interviewed, and also requested to supply names of other potential interview subjects.

The snowballing method is not as unpredictable as its name might suggest. The researcher was heavily involved in developing and managing the initiation and progress of the sample, and sought to ensure at all times that the chain of referrals remained within boundaries that were relevant to the study. One of the dangers with snowball sampling was that respondents often suggested others who share similar characteristics, or the same outlook, and it was thus also incumbent on the researcher to ensure that the initial set of respondents was diverse so that the sample was not slanted excessively in any one particular direction.

9. COSO Model of Internal Control

In this research, the researcher focused on how corporate governance structures of public Education in a privatised setting can effectively apply the COSO model to help fulfil obligations of recent standards set by the government. The researcher chose COSO framework because COSO it is a strategic tool rather than a checklist recognised as a worldwide standard. It measures and evaluates strategic change. COSO sees internal control

as a process and a means; it also recognises that internal controls are affected by people at every level and not just policy, manuals and forms.

COSO defines internal controls as a process, affected by an entity's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in: (1) the effectiveness and efficiency of operations, (2) the reliability of financial reporting and (3) the compliance of applicable laws and regulations. The COSO Model of Internal Controls uses five elements of internal controls: control environment, risk assessment, information and communication, control activities, and monitoring.

Maintaining internal controls is a continuing process. It is not just policy manuals and forms, but people functioning at every level of the institution. Internal controls are a way to provide reasonable assurance to an institution's leaders against risk in operation, financial reporting, and compliance. Internal controls are tools used by employees to mitigate risk for the institution of UC and UCSF. The purposes of internal controls include: protection of the integrity of business transaction information; ensuring compliance with the organisation's policy and relevant legislation; provision of easily-accessed control data for validation of processes correct application; early warning of process weaknesses or susceptibility to error and support for timely reporting and early identification of irregularities.

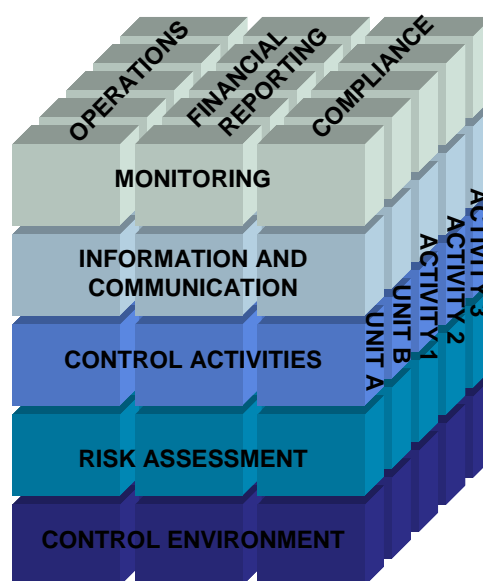
In the 1992 report, "Internal Control: Integrated Framework", internal control is broadly defined as a process, affected by an entity's board of directors, management and other personnel and is designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations

To substantiate internal control, the report itself had two parts. The first part is the explanation of the core concepts of the COSO model. The second part is a lengthy check list of more than 1000 questions, which enables readers to have some reference points to come to grips with such an amorphous concept as internal control.

There are five major elements that make up an organisation's internal controls; the COSO model is recognised throughout the world as a significant standard for discussing internal control. The five elements are depicted in the figure below, with each element dependent on the preceding elements.

Figure 7: COSO Model



- 1) Control Environment: The people and the environment in which they operate.
- 2) Risk Assessment: The organisation must be aware of and deal with the risks they face. Key activities and their risks must be assessed and prioritised.
- 3) Control Activities: Policies and procedures must be re-examined to ensure that actions necessary to achieve the institution's objectives are effectively carried out.
- 4) Information and Communication: Information and communication practices must support the entity's objectives.
- 5) Monitoring: By those doing the work, and modified as necessary.

Throughout this process of examination, prioritising and risk mitigation, information and communication systems enable the organisation's people to capture and exchange the appropriate information needed to manage its operations responsibly.

Chapter V

Research Design in Action

1. Introduction

In choosing the people to interview, the researcher agrees with Merriam (1988) according to whom the needs of qualitative research are best met by non-probability sampling. Merriam described purposive sampling as based on the assumption that one wants to discover, understand, gain insight; therefore one needs to select a sample from which one can learn the most. Miles and Huberman (1994) indicated that a small group of subjects studied in their context make up a purposive sample. In addition, they indicated that initial choices of participants in the research study can lead to unlike or like subjects which helps the researcher further describe the entity.

The researcher's sample combined different levels of analysis, individuals and departments; however, because of the risk of making cross-level misattribution, (Rousseau 1985) suggests it is important to make explicit the problems of using data derived from one level to represent something at another level in order to avoid misinterpretation.

The following are the persons/organisations that were interviewed

- Minister of Education
- Supreme Education Council
- Qatar University
- Ministry of Civil Services
- Planning Council
- Qatar Foundation
- Independent school operators (ten schools were selected)

- Parents of students in independent schools (ten schools were selected)
- Students of independent schools (ten schools were selected)

2. Data and Document Collection

Data for this study were generated from a variety of sources: interview, observation, document review and survey. Data were also generated from financial reports and audited statements furnished by the SEC's Office of Finance and Office of Shared Services. The data include information on external contracts expenditures, asset purchases, funding allocations to schools, and operational expenses of the institutes; these include:

Data from Audited Statements, Payments Spread sheets and Cash Flow Statements

Financial statements on revenues and expenses from the Finance Office such as:

- KPMG and Deloitte & Touche audited statements: These contain statements of assets, liabilities, revenues, expenditures, changes in surplus funds, and cash flows.
- Deloitte & Touche audited statements.
- Finance Office payments data: These report expenditures on start-up funds, grants, and per-pupil allotments for each school.
- Cash flow statements: These are unaudited monthly and annual cash flow statements of revenues and expenditures provided in a fairly standard format by each school.

Figure 8: Sample Income and Expenses Report

INDEPENDENT SCHOOL 2007-08 Girls Schools									
	DESCRIPTION	TOTAL	Al Falah Primary Independent Girls' School	Al Huda Primary Independent Girls' School	Al Nahda Primary Independent Girls' School	Al Shaqab Primary Independent Girls' School	Al Khour Primary Independent Girls' School	Al Wajba Primary Independent Girls' School	Borooq Primary Independent Girls' School
	Work Services	3,736,628				247,248	152,986		
	Security Charges	1,237,935				98,600	54,000		
	Maintenance Expenses	8,435,859	39,388	268,353	322,022	139,999	200,544	586,777	520,582
		13,410,422	39,388	268,353	322,022	485,847	407,530	586,777	520,582
	TOTAL EXPENSES	324,188,224	9,959,255	9,119,411	10,067,905	10,755,370	10,018,537	10,940,687	10,247,601
	SURPLUS	43,544,025	872,023	2,131,731	1,249,928	774,405	1,834,097	398,298	1,402,032
EXPENSES NOT AFFECTING CASH FLOW :									
	DEPRECIATION	386,934				9,000		35,386	9,605
	NET SURPLUS		872,023	2,131,731	1,249,928	765,405	1,834,097	362,912	1,392,427

Staffing Reports

Staffing Reports are reports that independent schools are required to submit quarterly to the Finance Office. They list the names, identification numbers, nationalities, salaries, full-time equivalence, subject/ title (i.e., job title and, if applicable, subject taught), and start date of all personnel. Some schools modified or added to these categories in their reports.

SEC Minutes and Memos

Issues discussed in the SEC minutes included contract letting and amendments. The minutes provided a rich source of data which gave a historical context. Some of the minutes regarding voting on the annual budget were of a confidential nature; however, the researcher used the information to explain some wider concerns and hence they facilitated the research.

Sample MEMO

RAND-QATAR POLICY INSTITUTE

To : The Executive Committee of the Supreme Education Council

From : RAND- Qatar Policy Institute Voucher Team

Re: Potential Increases in Private School Tuitions and Financing Private Sector Employees in the Voucher Program

Date : April 26, 2008

The Executive committee of the Supreme Education Council asked the RAND Corporation to consider two issues that are facing the educational voucher program in Qatar:

1. The possibility that private school tuition will rise sharply with the advent of the vouchers program.
2. How to finance education vouchers to be used for the tuition of private school for children of Qatari Parents employed in the private sector.

3. Interviews

The interviews were semi-structured person to person conversations. The interviews were based on the interviewee's responses to corporate governance issues. McCracken (1988) suggested that the interview format employs prompts or probes which give structure to the interview and allow the participant to use her own voice to relate experiences in an individual fashion. The interview structure which was applied in this research permitted spontaneous comments; however, where issues of interest were not spontaneously described, the researcher utilised prepared probes which directed the respondent toward these issues. This structure allowed the interview participants freedom to connect, correct, rephrase for understanding, and digress to related topics.

In each interview the sequence of events were similar. Rapport building was followed by a review of the ethics protocol, a reminder that the interview was taped, the interview, and agreement on future scheduled events, interviews, observations, and document needs.

Some interviews were taped, allowing the researcher to take notes and guide the subject into areas in more depth or to related areas that appear a priority to the subject. Immediately after each interview, the researcher reviewed the tape and notes taken during the interview to consider what main themes emerged and what needed to be altered in format or content for the next interview.

The researcher kept a research diary to focus on learning and adjustments in data gathering. All interviews were transcribed and as themes and categories emerged, they were coded. Clustering these themes and categories was an on-going process which was repeated by the researcher throughout the data gathering process.

All those who participated received thank you notes following all interviews as a gesture of appreciation for their time. Interviews focused on Board Members, heads of institutes and those involved with implementing regulations and recommendations in the financial services sector. The aim of the interviews was to gather information pertaining to corporate governance during the last five years.

In order to facilitate preparation, the researcher drafted the issues to be discussed – derived from the tentative propositions – and sent those to the interviewee together with an outline of the research. In some cases the researcher sent a short questionnaire aimed at gathering information rather quickly. In some cases this questionnaire was returned prior to the interview. In many cases this was done afterwards. This format is much like the one described by Walsham and Waema (1993). Respondents were interviewed for a short period of time; in many cases an hour or longer. The interviews were conducted in a conversational but semi-structured format.

Given the sensitivity of the data collected from the heads of the SEC institutes, the researcher had to be very careful regarding how to approach questions concerning their roles and their criticism of the system. The researcher had to conduct more than one interview with each head to solicit sensitive data. In the first interview the researcher avoided direct questions and posed more direct questions in the second interview; however, this raised ethical concerns as some interviewers consented to be interviewed on the basis that the information will be confidential. Interviews held with the shared services personnel were of this nature because they related to a sensitive area; financial reporting. Also interviews with operators who did not conform to policies and who lost their contract were of this nature too.

Excerpt of an interview with a manager from the shared services
<ul style="list-style-type: none"> ▪ How does the Board of Directors and management establish and maintain a strong ethical environment and culture?
<ul style="list-style-type: none"> ▪ Do board members and senior executives set a day-in, day-out example of high integrity and ethical behaviour?
<ul style="list-style-type: none"> ▪ Is there a written code of conduct for employees, and is it reinforced by training, top down communications, and requirements of periodic written statements of compliance from key employees?
<ul style="list-style-type: none"> ▪ Are performance and incentive compensation targets reasonable and realistic, or do they create undue pressure on achievement of short-term results?
<ul style="list-style-type: none"> ▪ Is it clear that any fraudulent financial reporting will not be tolerated?
<ul style="list-style-type: none"> ▪ Are ethics woven into criteria that are used to evaluate individual and business unit performance?
<ul style="list-style-type: none"> ▪ Does management react appropriately when receiving bad news from subordinates and business units?
<ul style="list-style-type: none"> ▪ Does a process exist to resolve close ethical calls?
<ul style="list-style-type: none"> ▪ Are business risks identified and candidly discussed with the board of directors?
<ul style="list-style-type: none"> ▪ How does the organisation identify and manage risk?
<ul style="list-style-type: none"> ▪ Is relevant and reliable internal and external information identified, compiled, and communicated in a timely manner to those who are in a position to act?
<ul style="list-style-type: none"> ▪ Are risks identified and analysed, and are sanctions readily taken to mitigate them?
<ul style="list-style-type: none"> ▪ Are controls in place to assure that management decisions are properly carried out?
<ul style="list-style-type: none"> ▪ How does the organisation assess its internal control system to ascertain that it is effective?
<ul style="list-style-type: none"> ▪ Do senior and line management executives demonstrate that they accept control responsibility rather than just delegate the responsibility to financial and audit staff?
<ul style="list-style-type: none"> ▪ Does management routinely monitor controls in the process of running the organisation's operations?
<ul style="list-style-type: none"> ▪ Does management clearly assign responsibilities for training and monitoring of

internal controls?
<ul style="list-style-type: none"> ▪ Are periodic, systematic evaluations of control systems conducted and documented?
<ul style="list-style-type: none"> ▪ Are such evaluations carried out by personnel with appropriate responsibilities, business experiences, and knowledge of the organisation's affairs?
<ul style="list-style-type: none"> ▪ What criteria are used to evaluate controls?
<ul style="list-style-type: none"> ▪ Are control deficiencies reported to upper management and corrected in a timely manner?
<ul style="list-style-type: none"> ▪ Are appropriate controls built in as new systems are designed and brought on stream?
<ul style="list-style-type: none"> ▪ How can you determine that the Board of Directors' Audit Committee is effective?
<ul style="list-style-type: none"> ▪ Has the board recently reviewed the adequacy of the Audit's Committee's written charter?
<ul style="list-style-type: none"> ▪ Are Audit Committee members functioning and independent of management?
<ul style="list-style-type: none"> ▪ Do Audit Committee members possess and appropriate mix of operational and financial control expertise?
<ul style="list-style-type: none"> ▪ Does the Audit Committee understand and monitor the Broad's organisational control environment?
<ul style="list-style-type: none"> ▪ Does the Audit Committee oversee appropriateness, relevance, reliability of operational and financial reporting to the board, as well as to investors and other stakeholders and external users?
<ul style="list-style-type: none"> ▪ Does the Audit Committee oversee the existence of and compliance with ethical standards?
<ul style="list-style-type: none"> ▪ Does the Audit Committee or full board have a meaningful but challenging relationship with independent external auditors, internal auditors, senior financial control executives, and key business-unit operating executives?
<ul style="list-style-type: none"> ▪ How do you know that the internal auditing function is effective?
<ul style="list-style-type: none"> ▪ Does internal auditing have the complete support of top management, the Audit Committee, and the Board of Directors?
<ul style="list-style-type: none"> ▪ Has the written scope of internal auditing responsibilities been reviewed by the Audit Committee of adequacy?

▪ Is the organisational relationship between internal auditing and senior executives appropriate?
▪ Does internal auditing have and use open lines of communication and private access to all senior officers and Audit Committee?
▪ Are audit reports covering the right subjects, distributed to the right people, and acted upon in a timely manner?
▪ Do key audit executives possess an appropriate level of expertise?
▪ Are the organisation's internal controls doing the job?
▪ Do internal controls minimise pitfalls and surprises?

4. Observations

Observations began on a schedule determined at the conclusion of the initial interview. During the observations the researcher remained as unobtrusive as possible, taking detailed field notes which demonstrate aspects that related to corporate governance.

After each observation, the researcher summarised and reflected upon the field notes to find areas of relationship of the interview responses and the research questions in addition to any categories that grouped together. This immediate personal response by the researcher allowed for on-going adjustment.

During the pilot study, the researcher visited a lot of schools; there were many opportunities to observe. These visits proved to be valuable sources of data. Also when the researcher visited the institutes, there were a lot of opportunities to observe the day-to-day functioning of the offices.

5. Ethical Considerations and Confidentiality

General safeguards to all stakeholders included the use of an informed consent form, a discussion of the interview agenda and time frame, and sometimes, the use of a tape recorder to ensure accuracy. A standard ethics protocol was read by the researcher to the participants prior to the interview. All agreements made with subjects in this study were kept by the researcher. Furthermore, in regard to confidentiality, some documents were very relevant to the research but could not be included because of the sensitivity of the information.

Sample of Confidential document

Report on the PROJECT MEMORANDUM:
"MERGING THE MINISTRY OF EDUCATION INTO THE SUPREME EDUCATION
COUNCIL"
Submitted by the RAND – QATAR POLICY INSTITUTE,
Dated June 2008.

XXXXXXXXXXXXX, Ph.D.
Senior Consultant for Policy Research

6. RAND

The researcher also had the chance to observe RAND team that was commissioned to revise the strategy in 2008. Meeting with the RAND team shed light on how the options for the reform were formulated and the hurdles that faced the reform in the first stages. Also documents relevant to the reform were obtained and studied. The researcher had the chance to informally communicate with the RAND team and ask questions regarding the corporate governance aspects that were neglected in the first stages of the reform. During RAND's revision of the strategy, brain-storming sessions were held to discuss how each institute saw its role in the reform. This presented a great opportunity for the researcher to capture how individuals responded to RAND's work.

7. Identification of Themes

The criteria used to identify themes were determined by responses of participants based on:

- Identical match
- Similarity in meaning
- Similarity of content and subject matter for each response

Blocks of transcribed interview text, ranging from one to five paragraphs, were read. Evidence relating to each question was first identified by underlining with a pencil. The same block of text was reviewed a second time to identify the theme present. The themes that emerged were highlighted as a reference point and for ease of retrieval. Individual contact summary sheets were again used to record the data.

A process of gathering information was developed to allow continuous evaluation and synthesis of data through each step in the methodology. This approach allowed data to emerge as it was being collected in a framework that guided the investigation. Through this process, elements relating to corporate governance were identified as to how it influenced the reform of the educational system in Qatar.

8. Pilot Study

After conducting the literature review, the researcher decided to do a pilot study to test the effectiveness of the corporate governance structure and to examine the way it was received by management, parents and students. Participants in the study were called by telephone or sent emails to schedule interviews. The study was welcomed by students, operators and some second line managers. The researcher sensed some discomfort in the answers of some of the heads of institutes. Heads who welcomed the research lobbied the researcher. Some pointed

out areas that needed immediate attention and called for issues to be raised in the SEC meetings. In some situations, the researcher promised participants to raise certain issues in SEC meetings or draw the board's attention to the need to resolve some problems relating to operations or policies.

The pilot study showed some conflicting themes, for example while a lot of parents were not happy with the monitoring of independent schools by the SEC, the Education Institute head thought that parents are very satisfied with the way independent schools are monitored. Also while the Education Institute head stated that independent schools were supported by facilitators during their first years, operators of independent schools, complained that not enough, if any, facilitation or guidance is given to their schools. It was apparent to the researcher that more in-depth interviews should be conducted.

After examining the pilot study findings and reflecting on them, the researcher identified areas that needed investigation and contacted key informants to schedule interviews. Scheduling interviews was easy in spite of the busy schedule of some managers. The "no-refusal experience" given the researcher membership of the SEC, helped the researcher conduct a second round of interviews again in 2009.

9. Multiple Roles

Sometimes the researcher felt that she had to switch roles during an interview in order to solicit responses, for example in the interview with a school operator, the researcher was faced with many accusations directed at the SEC, the researcher again had to switch hats and answer as an SEC member of the Board in order to hear the reaction to the justification of certain acts that were deemed unjust by the SEC. The researcher did not do it as a defensive act being a member of the SEC but rather to solicit more information regarding the

dissatisfaction with certain policies. A further difficulty was that the researcher was not always clear when organisation members spoke “in confidence” to the researcher as researcher or they were addressing the researcher in the researcher’s SEC organisational role. Indeed as Holian and Brooks (2004) remarked insider researchers may need to be cautioned and reminded that the research mantle may seem magical and may reveal “earth-shattering insights”, but it is not “bullet proof”.

Some issues were deemed “undiscussable” in the educational reform for example the questioning of the rationale of introducing total privatisation without providing other options, also the policy not to offer free tuition to expatriates children in the basic primary level. These topics were not discussed by the SEC managers, the researcher raised these topics and some respondents felt uncomfortable and asked whether the researcher will publish the study. At times the researcher really appreciated the strains of insider researcher’s role. The researcher was given a sense of the difficulties that might be faced by those perceived as outsiders, when one of the respondents who had no idea as to the researcher’s identity, provided a series of highly evasive responses, including, “if you were one of us, you would see what I mean”.

10. Sensitive Data

Pressure to tell the truth and maintain integrity of the research process, stick to principles was often a challenge. At times the researcher sensed that staff were sent rather than volunteered to take part in the interviews, a situation confirmed informally during conversation with other non-respondent school members. Teachers were under pressure of examinations and did not have the time for interviews but were probably pushed to do it because of the researcher’s role in the SEC.

11. Disparity of Moral Outlooks

As Johnston (2002) has suggested, the different experiences of insiders and outsiders explain the disparity in their moral outlooks. Insiders are socialised to see at least some actions as functional and therefore not corrupt. Outsiders, unaware of the insiders' rules, tend to judge action by moral absolutes. Conflicting elite and public views of right and wrong were apparent to the researcher.

Summary

After the research questions were developed and revised. The researcher considered several research design choices that could cater for the primary and subsidiary research questions. A Qualitative approach was deemed best and the case study design was chosen for the study. It was important that the researcher conduct three case studies each contributing and answering one or more of the research questions culminating in the pinnacle case. Access to vital information relating to the sensitive areas such as financial data was not an obstacle for the researcher by virtue of the researcher's position as a member of the Supreme Education Council in Qatar; hence this research falls into elite research category. The researcher's decision to use a personal diary supplemented the design strategy. It served as a validation tool to other data sources like interviews and documentary data. Through personal observation along with the personal diary culminated in a post-case study focus group of key informants that helped explore the issue of further learning. The overall research question under investigation is: *What are the roles and challenges of corporate governance structures in contributing to the development and establishment of Qatar's unique privatised education system?* The researcher chose to investigate this topic because corporate governance aspects in the educational reform in Qatar came as an afterthought. Only after problems relating to control structures surfaced that the SEC started addressing

shortcomings of the corporate governance model. The researcher, as an informed observer/participant, is a good candidate to conduct such research. In this research, the researcher focuses on how corporate governance structures of public Education in a privatised setting could effectively apply the COSO model to help fulfil obligations of recent standards set by the government. Choosing a professionally-led model to test the corporate governance structure in Qatar, COSO framework, was challenging because of the limited literature available on the applicability of COSO in general and in a large public sector in particular.

PART THREE

The Implementation of the Research Design: Findings from the Field

Chapter VI

In approaching the research, it was essential to use a multiple case design as each case represented an opportunity to validate information as well as develop some explanations or understandings of different aspects of the educational reform. After conducting the pilot study, sub research questions were generated to address the role corporate governance played in the reform. The researcher looked at three linked cases that together encompass all aspects of the reform; see figure 9. The base case study ‘Case 1 (i)’ examines the Ministry of Education prior to the reform as well as RAND’s role in proposing the change in the policy of the Ministry of Education in an attempt to update the educational sector in Qatar. It further describes the Ministry’s resistance to the impetus for the policy. Documents and current informants will form the basis for this case study.

This case attempts to answer the overarching research question by addressing the following subsidiary questions 1A and 1D¹¹.

- *What socio-economic factors supported the move from public schools to education privatisation?*
- *How prominent was the focus on corporate governance aspects in the new structure and system being created?*

The intermediate case study ‘Case 1 (ii)’ gives an account of how the strategy for the reform was developed. It examines the roles and structural development as well as corporate

¹¹ See table page

governance activities of the Supreme Education Council, Education Institute, Evaluation Institute and Higher Education Institute. This stage is the diagnostic and decision-making stage. It attempts to answer question 1D and 1F.

How prominent was the focus on corporate governance aspects in the new structure and system being created?

How well does the new structure facilitate the interaction between government and those private institutions and firms running schools?

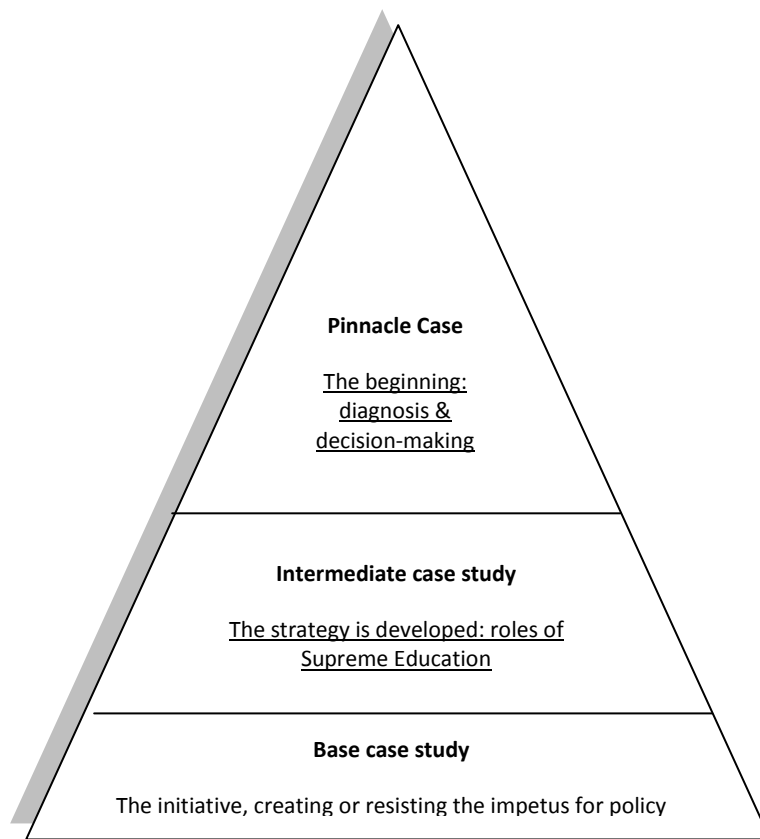
The pinnacle case study “Case 2” is the longest case by far. Over two chapters, this case describes the implementing of the strategy; in other words it examines the process of operationalising privatisation of Qatari schools. It further discusses the products and processes involved in the reform. This case attempts to answer questions 2A and 2D.

How do the new internal corporate governance mechanisms impact the delivery of public education, in relation to parental and other stakeholder contributions?

How, if at all, has the corporate governance mechanisms and system been able to act pro-actively, to identify potential problems before they occur?

In the second chapter dedicated to this case, the researcher applies the COSO framework to Case 2 to check the viability of the SEC internal controls. Subsequently, the full details of the research gained through COSO attributes as well as through other methods are laid beside the research question scheme.

Figure 9: The Organisation of the Three Case Studies



Within each case study report there is:

- An introduction to the case study, epitomising the case
- An over view of the organisation and reflection on it
- The structure and governance of the organisation
- Current activities
- Developments
- Summary

Quotations relevant to the development of the case study are placed in the text. Other excerpts from documentary sources are placed in shaded panel in order not to detract attention from flow of the report. The case reports are presented in the order of events as they happened; thus starting with the Ministry of Education and ending with the implementation of the privatised public education system.

The main research methods used were: interviewing, scrutiny of documents, collection of relevant RAND reports on the Ministry of Education and the SEC. Various sources of literature supplemented the interviews as well as visits to the Ministry and the SEC. The type of interview chosen for the case studies was the focused open-ended interview in which the respondent is interviewed for a lengthy period of time assuming a conversational manner. This helped respondent feel less threatened by the researcher especially in the downward elite interviewing explained in the methodology chapter. The case study reports adapts the linear-analytic structure (Yin 1994) and through a process of peer review or respondent validation to address the issue of construct validity (Yin 1994).

In the following chapters, aspects of the corporate governance model that was used in the new educational reform in Qatar are looked t to show how they influenced the decisions of policy makers regarding their choices and implementation strategies, because it introduces a new view of the government's role, one needs to look at it through a different lens than that of the one used in the traditional governance models applied in education.

Case 1 (i) Report
The Ministry of Education

1. Introduction

In June 2007, after conducting the pilot study, the researcher reflected on the findings of the pilot study regarding how the Ministry of Education was perceived by the public as being dissolved in the next couple of years. The confusion and sometimes resentment among teachers of Ministry schools regarding the independent school scheme needed to be investigated more.

With the aim of pinpointing what was wrong with the Ministry of Education prior to the reform, the researcher read documents prepared for the government of Qatar pertaining to the education system, among those documents were RAND reports. The researcher then analysed the documents and conducted several interviews with teachers, parents and students currently in Ministry schools to verify some of the findings of those report. The sample included some teachers that have recently moved from Ministry schools to independent schools.

The researcher also visited the Ministry to look for documents relating to the governance system prior to the reform. After studying the governance system, the researcher looked at different reports prepared by national and international bodies assessing or proposing changes to the Ministry of Education.

Case study information sources included interviewing, scrutiny of documents, observation of Ministry schools and collection of relevant documentary information. Various literature relating to other ministries such as the Ministry of Labour also supplemented the research. The interviews, visits to the Ministry of Education and data collection for this case took place over several months starting June 2007.

2. Background

One of the first ministries established in Qatar was The Ministry of Education which was established in 1950. From 1950 to 1960, the Ministry adopted curricula and textbooks from Egypt and other Arab countries. Qatar began producing textbooks locally only in 1965. Education is provided free to Qatari children, as well as to eligible expatriate children whose parents are employed by the government. Literacy rates in the country are high; illiteracy among Qatari nationals over ten years of age declined from 13.6 percent in 1997 to 7 percent in 2009¹². The system in the Ministry of Education was centralised. The four sections of the ministry, Administrative and Financial Affairs, Educational Affairs, Cultural Affairs Sector and Educational Planning and Curricula Affairs oversaw all aspects of public education as well as aspects of private education.

The Ministry in 2000 employed 16,790 people. Qataris outnumbered foreigners by almost two to one and held the majority of administrative positions. Almost 60 percent of Ministry staff held non-teaching positions: 3,901 people held administrative positions (both at the Ministry and the school level, for approximately 23% of the total Ministry staff), 6,039 held lower-level staff positions (including labourers, drivers, office boys, guards, and filing clerks,

¹² United Nations Development Programme Report 2009

for about 36% of the total), and 6,850 held teaching positions (about 41%). Relative to the number of pupils in Qatar, the number of people in the Ministry seems inordinately large (RAND 2008).

3. Government Schools

Girls and boys attend separate schools in the government: primary (Grades 1–6), preparatory (Grades 7–9), and secondary (Grades 10–12). Teachers are the same gender as the children in the school. The school year runs from early September to mid-June and is divided into two semesters of 17 weeks each. Students attend school around five hours per day. Students are assigned to schools based primarily on geographic location. The country is divided administratively into ten municipalities, which are in turn divided into smaller zones. The majority of students and schools are in the capital city of Doha and its suburbs. In 1970 a new model was introduced, the ‘Namohtajeyah schools’. These schools were Primary boys’ schools in which both the teaching staff and the administration are women. The purpose of this model was to provide more working opportunities for women in Qatar as most parents felt more comfortable sending their daughters to work at the Ministry of Education. The success of the model schools led a five-year plan to implement this type of school system (Ministry of Education, 1996).

Secondary schools in Qatar move students into specialised streams of education, students could choose to follow the literary or the scientific route. Beside the main stream secondary education, there are a few alternative educational options, including a secondary school of commerce, a secondary technical school, and a religious school.

Student promotion to the next grade level is determined by end-of-year examinations developed by a centralised committee of teachers. As of 1996, the average required passing score for all subjects was 50% (Ministry of Education, 1996).

Students who pass the high school exit examinations receive a certificate attesting their completion of the secondary stage of education. Students must have this certificate to proceed to higher education in universities. In the 2000–01 school year, there were 220 public schools, representing a 7% growth in the number of schools over six years. 63% of the 71,325 students attending these schools in 2000–01 were Qatari, and the rest were foreign students eligible for free government schooling because their parents were employed in Qatar's government (RAND 2008).

School administration includes a principal, deputy principal, secretary, social worker, supervisor, and storekeeper. Since Qatarisation was introduced in the early 1970s, Qataris fill most of administrative posts, other nationalities work mostly as teachers. In 1991, Qataris held 96% of the administrative positions in schools (Ministry of Education, 1990). Teachers were hired by the Ministry and assigned to schools. There were relatively few male Qatari teachers, suggesting that the profession does not appeal to Qatari men. The majority of teachers at boys' schools were men recruited from other Arab countries. In contrast, most of the teachers at girls' schools were Qatari, females were attracted to the sector as they were not comfortable working in other sectors because it entailed mixing with the other gender. The Ministry supervised teachers, evaluated them, and offered some limited professional development programmes.

The Ministry mandated that a specific curriculum be taught at each grade level, and Ministry-developed textbooks were used in all classes. It had considered curriculum development to be the best approach for reforming education (Ministry of Education, 1996). In Grades 1 and 2, all students are taught religious studies, Arabic, mathematics, science and hygiene, art, physical education, and English. New subjects were added in the Grade 3.

A series of interviews with parents who still have children studying in Ministry schools asserts their satisfaction with the curriculum, academic level of teaching staff and the feedback they get from the school regarding their children academic and behavioural levels. On the other hand, focus group meetings revealed their dissatisfaction with the physical environment of public schools.

“I wish they (MoE) would reform the public schools and let our children stay in them. I am not comfortable with this new independent model. They can’t expect what works in the West to work here. In fact I don’t think there is anything wrong with our public schools, all they needed was an infusion of modernity, and perhaps they could have only changed the buildings or used a different curriculum. I truly think the monitoring system in the Ministry of education is impeccable and all this talk about it being centralised and wrong is not true. Yes it is centralised but what is wrong with that, it delivered the results. Also Qatari teachers now will not work for independent schools.”¹³

The dissatisfaction with the buildings of public school resonated with all stakeholders, however, responses split on the effectiveness of the monitoring system in public schools. While some thought that the centralised system worked others thought that it is time to move away from traditional methods and introduce new systems that have been tried and tested.

¹³ Parent interview April 12 2007

Almost all stakeholders including managers of SEC agreed that the new reform should have been introduced gradually to facilitate its acceptance.

“The Ministry definitely needed a whole scale change, however, change in management practices and facilitation did not accompany the large scale reform which resulted in decision makers wasting their time and jeopardising the success of the initiative reacting to problems arising from lack of planning”.¹⁴

“The challenge was to move toward a more democratic society and better educated populace. Qatar wanted to invest in its human resources. The K12 disconnect was a result of a dated education system. The solution was a total reform, Education for a New Era”¹⁵

4. Private Schools

The Ministry provided some assistance for private schools, but their funding is primarily private. As of 2001, preschool and kindergarten were available only at private schools. In 2000–01 academic year, 35% of all students in Qatar attended private schools. The researcher could not find updated statistics relating to the number of Qatari students attending private schools. However, the number has risen dramatically since 2001 suggesting dissatisfaction with public schools. In comparison, enrolment in private schools in many small European countries is less than 6%. Between 1994 and 2000, the number of students attending private schools in Qatar increased by about 20% suggesting dissatisfaction with public schools. According to RAND’s this percentage reflects the dissatisfaction with Ministry schools, however, interviews and focus group meetings confirmed that most of the students going to private schools were mostly at that time expats who were not eligible to free education in

¹⁴ Interview with MoE manager April 14, 2007

¹⁵ Interview with SEC manager September 22, 2008

public schools. Also most Qataris that send their children to private schools do so because of the English curriculum which is a requirement in many universities.

Private Arabic schools followed the same curricula and course books as public schools. The appeal of those schools to parents is that they offer a very strong Arabic curriculum and teach English to some extent. The Ministry regulates and monitors the operations of both the public schools and these private Arabic schools in a similar way but require smaller class sizes for the private Arabic schools. The Ministry also exercise some regulatory authority over all types of private schools. All curricula and textbooks for these schools are approved by the Ministry. All prospective private school owners apply to the Ministry for a private school license. These schools have to also meet Ministry regulations relating to health, record keeping, library acquisitions and employee appointments. Every school had to submit to the Ministry a statement of expenditures and a report of extra student fees for approval, as well as an annual report at the end of each school year. In addition, all are subject to Ministry inspection.

5. Efforts to Improve Quality

In 1980, the Qatari government began to think of introducing a high calibre higher education system to meet the demands of the economic growth. Several reports presented recommendations to improve the system. A UNESCO (United Nations Educational, Scientific and Cultural Organization) study in 1990 highlighted a number of areas for improvement, including problems directly associated with teachers: high turnover; low status of the teaching profession among Qatari nationals, especially men; and the differential treatment of Qatari and non-Qatari teachers in the schools (Ministry of Education, 1990).

In 1996, the Ministry established a committee to review all aspects of the education system. This committee conducted a comprehensive study of teachers, students, and administrative personnel in a sample of 21 Qatari schools (Ministry of Education, Higher Committee for Oversight of the Politics of Education, 1996). This study made recommendations to increase teacher performance and satisfaction and to improve student achievement. Several new initiatives were introduced in the 1990s to improve literacy, to introduce educational technology into classrooms and computers into central education administration, to develop school libraries, and to diversify secondary education (Ministry of Education, 1996). Diversification was achieved by splitting the scientific track into physics/mathematics and chemistry/biology and offering new options for students.

In an attempt to give parents more options, three new schools were opened in 1999, one vocational school with a curriculum that focused on technology and applied sciences and two scientific secondary schools one for boys and one for girls. Those were in turn followed in by the introduction of the scientific model to few elementary and preparatory schools. These schools, although they have turned independent, are still known as the scientific complex schools. Within each scientific complex, students progress through academically connected primary, preparatory, and secondary schools for the duration of their education. The language of instruction was English, and the curriculum emphasised science.

The scientific complex schools were intentionally designed to be independent of the Ministry, although the Ministry retained control of their budgets. Principals and teachers enjoyed a much greater degree of operational and instructional freedom than did their colleagues in traditional Ministry schools. These schools actively engaged parents and the larger community in their activities.

Teachers in scientific complex schools were trained by experts. Enrolment in the scientific complex schools was selective and students needed to score as high as 90% to be admitted. Parents competed for places in these schools for their children. It was not known whether this education model would have been equally effective and equally in demand if it had been offered to a broader range of students (RAND 2008). Several teachers from public schools expressed their opinions about scientific complex schools. They mentioned that it was a successful model and that it should have been continued alongside the reform. Interviewing teachers who used to work in the scientific schools confirmed the popularity of those schools amongst parents and students.

“We felt that the change introduced when scientific schools started was well calculated, also it was not a large scale change. When you want to go for a large scale change like the independent school scheme, you must calculate your steps and make sure everyone around you understands the change, as well as can implement it.”¹⁶

Interviewing influential Qataris from several segments of society to gather their opinions on problems in the Ministry of Education and to seek their suggestions for improvement, the researcher found that the main dissatisfaction with the Ministry of Education was the state of the physical environment and the quality of English taught, some also mentioned that “the system did not create students that have the ability to research and innovate”.

The researcher noted that administrators in public schools were efficient in carrying out the strategic plan mapped out by the Ministry of Education; however, they were not taking a more active part in developing it further. A lot of the administrators interviewed said that they

¹⁶ Scientific school teacher interview

lack the skills to plan strategically and would rather follow whatever plan has been provided to them by the Ministry. Most of the Administration staff observed during the researcher's visits to schools showed a high level of dedication but most lacked managerial skills.

An extract from the researcher's diary (a visit to a public school) 12/10/2008

The principal seems to be a good leader and can relate to academically challenging problems facing her staff; however, she seemed to check with the Ministry regarding most operational problems relating to the management of the school such as buying simple resources. Academically, she seemed to know each teacher's strengths and weaknesses. Surprisingly, she even knew the teachers that were not on track in regard to curriculum fulfilment.

The principal of a public school does not have to evaluate teachers academically; this job is left to the Ministry inspectors. However, she would write a report about each teacher in regard to absence, work ethics and other behavioural aspects. This report along with the report by the Ministry inspectors constitutes the basis for promotion.

The system in public schools was criticised also for not being lean and that teachers were allocated only few hours of teaching a day. Other total quality management practices also were lacking and hierarchy rendered the role of principal in public schools as ineffective when it came to decision making.

The finance department in the Ministry though had few financial scandals, and data, although traditionally stored, had a good level of security and data was seldom misused or lost.

6. Ministry of Education and the Reform

In 2001, Qatar started a comprehensive programme to upgrade its K-12 education system. Qatar consulted RAND, an internationally recognised non-profit research institution, to

conduct an objective assessment of the Qatari education system. The assessment revealed a highly centralised system with little in terms of evaluation and monitoring of policies and processes; a lack of communication and shared vision among education stakeholders; a top-down decision making process and an emphasis on rote learning – without much emphasis on critical thinking for students. As a result of the assessment, it was clear that a sweeping reform was needed (RAND 2008).

Several reform models were considered, analysed, and presented to the Qatari government. For all models considered, four key principles were adhered to: 1) Autonomy: Moving from a highly centralised system to a highly decentralised system where the decision making shifts to the people closest to the work itself, which would empower educators to better fit the needs of their students; 2) Accountability: New independent schools would be held accountable to the government by entering into a contractual agreement and by being monitored regularly through standardised student assessments. The results of the student assessments would be made available to the public; 3) Variety: Diverse schooling options would be offered to fit specific needs; and 4) Choice: Parents would be able to choose schools, with the aid of publicly available data on the school environment and performance, that best fits the need of their children (RAND 2008). In 2002, the Emir of Qatar announced a large scale reform based on new government-funded schools that are not operated by the Ministry of Education but rather by operators; and standardised national student tests aligned with curriculum standards based on international benchmarks.

Table 4: Pre 2004: Reform Foundation

May 2001 – The education reform began with the commissioning of a study on the Qatar school system.
November 2002 – His Highness the Emir issued decree #37 creating the Supreme Education Council and the Education and Evaluation Institutes, later a third institute was added, the

Higher Education Institute.
September 2003 – The Teacher Preparation and Certification Program began training its first group of teachers for the independent schools.
December 2003 and January 2004 – a large scale study was conducted to determine the exact number of students, teachers, principals and parents associated with each school, and to gather other related information.

The design of the reform called for a new organisational structure operating alongside the Ministry of Education. The Ministry would be part of the reform; however, since all students attending Ministry schools would take part in the national assessments, Ministry schools would also provide information for the school report cards. The aim was to list schools in Qatar, and to allow parents to have information about available education options.

The Ministry was expected to participate in the reform via several mechanisms; however, no guidance was given by RAND as to the expectations from the Ministry. An option was that the Ministry could become a large operator of independent schools, if it could develop the internal processes needed to manage independent schools effectively, however, this did not materialise. Managers in the Ministry attribute this to the lack of communication between RAND, which was orchestrating the reform, and the Ministry of Education.

“It is like they wanted us to fail, we were not given any sort of direction by anyone, they made us feel as we failed. I think they should have run another model parallel to the existing model to see how effective the changes are. Now we cannot bench mark against anything. I also feel that students’ results are a factor of success, why didn’t they keep some public schools to see if they resulted in better academic achievement.”¹⁷

¹⁷ Interview with MoE manager

The Ministry could provide or contract for professional development to enable teachers to teach to the new standards. The information from student testing and surveys would be available to the Ministry to enable it to manage education improvement.

To determine whether Ministry schools had changed in response to the reform, the researcher made a few visits to a small number of Ministry schools in 2007. In some cases, the researcher derived information from teachers who had attempted to introduce or had introduced new practices in Ministry schools. The researcher was told that Ministry schools had few incentives to change. “Change of any sort is difficult within an established system because the Ministry had always made all decisions about curriculum, personnel, instructional practices, and daily operations” one teacher noted. Moreover, the policy directive stating that all Ministry schools would be converted to independent schools further inhibited the desire to initiate immediate improvements.

The researcher found little evidence of change. While some Ministry school teachers reported taking advantage of training opportunities offered by the Education Institute’s Professional Development Office, many said that they could rarely incorporate what they had learned into their classroom practices. Similarly, Ministry school teachers often indicated that although they were aware that their students had individual learning needs, they could not accommodate them because of the large number of students in their classes and the demands of the Ministry curriculum, which valued carrying out lessons as scheduled over meeting students’ learning needs. Many Ministry school teachers were aware of the new curriculum standards but thought that they could not be implemented given the prescriptions of the Ministry curriculum.

Edited extract from a RAND's Report

Over the longer term the Ministry's fate would depend partly on the reform's success and the Ministry's response to the reform. If a large number of Ministry schools were to convert to Independent school status the Ministry could downsize or even be abolished. If not, the Ministry could still have a place in the education system perhaps as an operator of a system of Independent schools with a mix of characteristics some reflective of the existing government schools and some new. The Ministry of Education's culture did not allow it to adopt any of the options of modernisation.

Ministry school teachers in the focus groups also commented that while the Ministry schools did not make enough effort to change, the teachers who left public schools and joined Independent schools did not change either. The independent school teachers knew they often felt unprepared to develop curricula but were afraid to say so for fear of losing their jobs. Additionally, they expressed concern that colleagues who had moved to independent schools did not have the qualifications or experience needed to develop the curriculum or to write lesson plans. The 12 first generation of independent schools opened in 2004. In 2006, 46 independent schools were in operation alongside the Ministry of Education schools.

7. Changes in Ministry Schools

To determine the extent of change, if any, in Ministry schools in response to the reform, the researcher compared observations made during visits to a number of Ministry schools in 2001, before embarking on this research, with the results from the 2007/2008 sample. In some cases, the researcher derived additional information from teachers who had attempted to introduce or had introduced new practices in Ministry schools. QNEDS data were also instructive for understanding the attitudes and practices of Ministry school teachers.

The researcher noted that Ministry schools had few incentives to change. Change of any sort is difficult within an established system, and the obstacles were perhaps even greater in this case because the Ministry had always made all decisions about the curriculum, personnel, instructional practices, and daily operations. Moreover, the policy directive stating that all Ministry schools would be converted to independent schools further inhibited the desire to initiate immediate improvements. The researcher found little evidence of change. While some Ministry school teachers reported taking advantage of training opportunities offered by the Education Institute's Professional Development Office, many said that they rarely incorporated what they had learned into their classroom practices. Similarly, Ministry school teachers often indicated that independent schools valued meeting students behavioural needs over carrying out lessons as scheduled. Many Ministry school teachers were aware of the new curriculum standards but thought that they could not be implemented given the lack of human resources to carry the change through.

“I am struggling inside the classroom, how can they expect us to change overnight and think outside the box and come up with our own curriculum? We were not trained to do this, the whole thing is a wonderful idea but when you don't have the people with the skills to execute it, it becomes a failure. Perhaps they could have trained the first cohort for a year, operators as well as teachers, then introduced the scheme. It seems RAND was eager to try out this new model and forgot that in Qatar we don't have the human capacity to carry out this model which has not been tried before”.¹⁸

The previous interview extract confirms the focus group discussions which revealed that independent school teachers often felt unprepared to develop the curriculum but were afraid to say so for fear of losing their jobs. Additionally, they expressed concern that colleagues

¹⁸ Interview with MoE manager November 12 2008

who had moved to independent schools did not have the qualifications or experience needed to develop the curriculum or to write lesson plans.

In observing teachers in public schools prior to the reform and contrary to RAND's report, the researcher observed that the classroom practices in the Ministry schools was not teacher-centred at all times, teachers did use untraditional methods to convey their lessons. However, the lack of physical resources were challenging at times. Focus groups conducted with teachers from Ministry and independent schools revealed that the teaching load, tribal issues, working hours, job security, and pay as the main reasons that stopped some Ministry teachers from wanting to work in independent schools.

Since the introduction of the independent schools, the Ministry system did not change its policies or procedures. The Ministry continued to assign teachers and principals to schools and to hire their teachers. Ministry teachers, however, were attending the curriculum standards workshops offered by the Education Institute to prepare them to move to independent schools.

Summary

One of the first ministries established in Qatar was The Ministry of Education which was established in 1950. Education under the Ministry of Education was failing to meet the demands of Qatari labour market and was described as dated. In 2001, Qatar started a comprehensive programme to upgrade its K-12 education system. Qatar consulted RAND, an internationally recognised non-profit research institution, to conduct an objective assessment of the Qatari education system. The assessment revealed a highly centralised

system with little in terms of the evaluation and monitoring of policies and processes; the lack of communication and shared vision among education stakeholders; the top-down decision making process, and the emphasis on rote learning – without much emphasis on critical thinking for students. As a result of the assessment, it was evident that a reform was needed (RAND 2008). Several reform models were considered, analysed, and presented to the Qatari government. In 2002, the Emir of Qatar announced a large scale reform based on new government-funded schools that are not operated by the Ministry of Education but rather by operators; and standardised national student tests aligned with curriculum standards based on international benchmarks. The Ministry of Education failed to adopt any aspect of the new reform.

Chapter VII

Case 1 (ii)

Supreme Education Council

1. Introduction

For this case study, the researcher collected a wide range of data using three approaches: observation, direct elicitation of information, and document examination. The researcher made more than 50 visits to the schools in the sample. Interviews with principals, administrators, and members of school support organisations (SSOs) were made. Focus groups were conducted with teachers, students, and parents. Additionally, the researcher observed more than 200 classes to assess classroom practices and the implementation of the new curriculum standards. Survey data from the Qatar National Education Data System (QNEDS), was also used to compare school characteristics, teacher characteristics, and instructional practices among all independent and Ministry schools.

Finally, the researcher conducted interviews with some of Education and Evaluation Institute, Ministry, and SEC staff about policy changes and examined selected policy documents in an effort to understand some of the policy changes that had been implemented within the independent school system since the initiation of the reform.

2. Background

Subsequent to the decision to undertake a thorough privatisation in the education sector, the Qatari government introduced a new education policy body, the Supreme Education Council (SEC). Its aim was to set broad policies and goals for the new education system. The

independent school reform model aimed to adhere to the following principles: autonomy, accountability, variety and choice.

The SEC was designed to set short and long term goals for the new system, as well as for the Ministry of Education and all post-secondary education in Qatar. An Emiri Decree established the SEC as a legal organisation in Qatar. The Qatari leadership decided that the Crown Prince would chair the SEC, with Her Highness Sheikha Mozah bint Nasser Al Misnad acting as a vice chair. The Board of Directors of the SEC consists of a small number of influential and respected individuals from the world of academia or business. Members were to serve for three-year renewable terms. The SEC has legal authority to set broad policy goals, both long and short term and also:

- Provides oversight of the system, including the Education and Evaluation Institutes
- Grants, reviews, and revokes contracts with independent schools
- Manages the communication strategy related to the new system
- Monitors schools and students, providing assurance that problems would be identified and fixed with minimal disruption
- Gives high-level visibility and credibility to the reform.

The SEC has several operational functions. It hires the heads of the Education, Evaluation and Higher Education Institutes and holds them accountable for operating according to the reform's principles. In addition, it would approve the budgets and major programmes of the institutes, as well as the contracts held by independent school operators. To carry out its mission, the SEC would need a flow of information on key issues and decisions. It would need to maintain an open and continuous channel of communication with the institutes and

with those who work in and attend the independent schools. The Implementation Team would be responsible for ensuring the necessary flow of information among the SEC, the Institutes, and the Independent schools.

“This is clearly a major milestone in the education system in Qatar. The independent school system represents the new foundation for the schooling system in our growing nation as it works to compete in the 21st century global economy,” said HE Mr. Saad Bin Ibrahim Al Mahmoud, Minister of Education and Higher Education and Secretary General SEC. “Our world-class education system will help our youth to obtain the life competencies necessary for the 21st century and help our country fulfil its national vision based on comprehensive and sustainable development.”¹⁹

3. Education Reform Organisational Structure

The SEC comprised three institutes answering to the Secretary General and the Board of Directors:

Education Institute:

The Education Institute would be responsible for setting up the contracts with the operators of the new independent Schools and provide them with financial and professional development. The Education Institute is also responsible for developing a catered set of internationally-based curriculum guidelines for four core subjects: Arabic, English, mathematics, and science. The Education Institute also contracted with international school support organisations to provide educational and operational school support to school operators in independent schools.

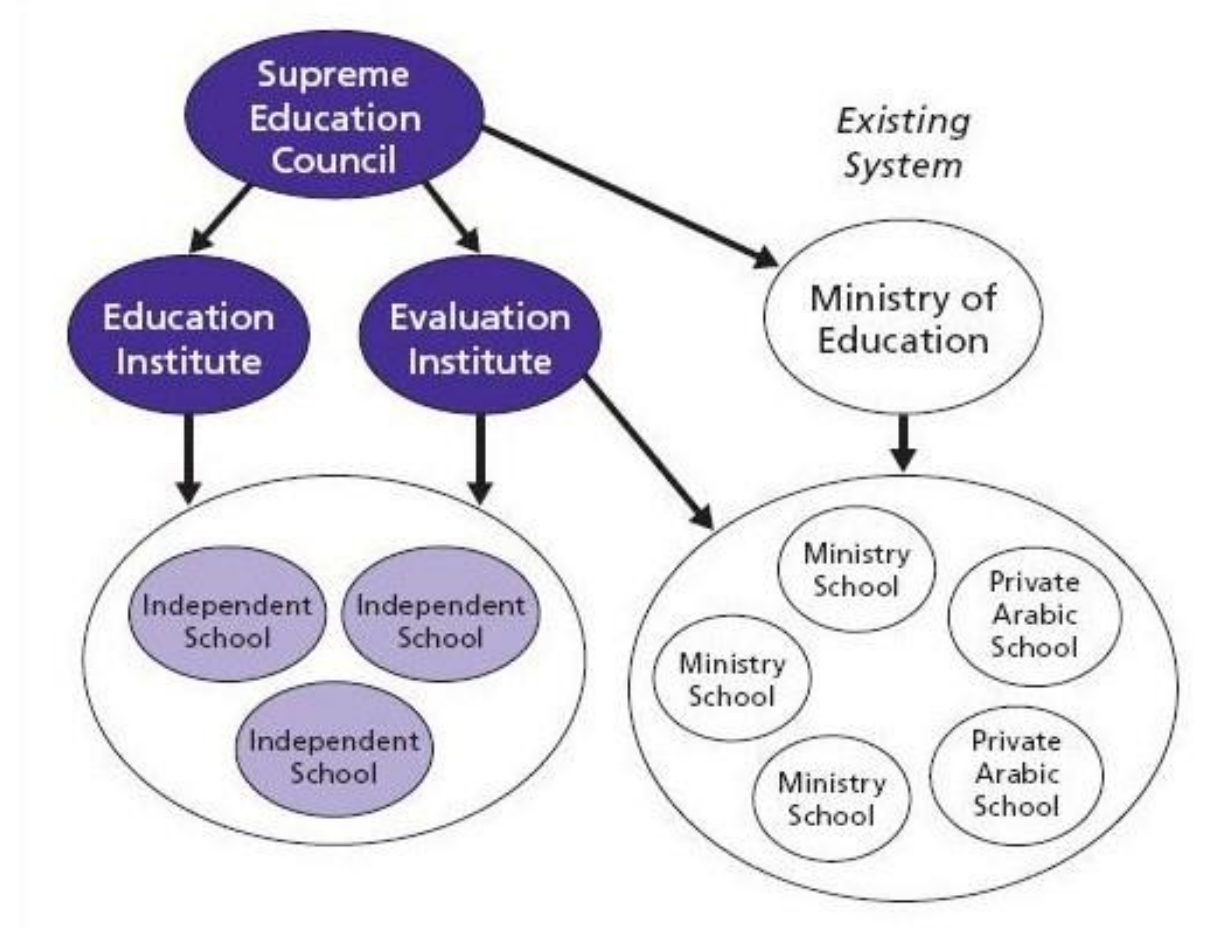
Evaluation Institute:

The Evaluation Institute acts as an independent monitoring entity that design tools to measure, quantitatively, independent school performances. The Evaluation Institute also collects performance data on all MoE schools and private Arabic schools.

¹⁹ HE Mr. Saad Al Mahmoud Minister of Education September 2010

Figure10: Organisational Structure of the SEC (RAND, 2008)

Organization of Qatar's Education System



Higher Education Institute

After the introduction of the two institutes, a need arose for a third institute to cater for postsecondary students, so the Higher Education Institute was introduced.

A second problem with the above structure was that the Ministry of Education was to cease to exist and the Supreme Council would be the only body governing the Education sector. A flatter organisational structure was thought to be more suitable for the reform. Up until 2008, the assumption among the public, as well as managers of SEC, was that the Ministry is to dissolve into the SEC and hence the Minister, Her Excellency Sheikha Al Mahmoud, was

appointed Secretary General of the SEC. However, the decision was reversed later and the Ministry under His Excellency Minister Al Mahmoud, who was appointed in 2009, was to continue to exist alongside the SEC. The Minister answers to the Supreme Education Council Board members who in turn answer to the deputy chair, Her Highness Sheikha Mozah Bint Nasser Al Misnad. The Chair of the SEC is His Highness Sheikh Tamim Bin Hamad Al Thani, the Crown Prince of Qatar.

Curriculum standards in Arabic, mathematics, science, and English for all 12 grades were introduced in independent schools; these standards are comparable to other countries in the world. In 2004, the Evaluation Institute tested every student in Ministry schools and students in many private schools to document achievement levels before independent schools were launched. It also surveyed all principals, teachers, and parents and most students in these schools. These tests and surveys were then upgraded and repeated in 2005 and 2006 as part of the ongoing accountability system. The tests are the first standardised measures of student learning available in the Arabic language.

Independent Schools

Potential school operators responded enthusiastically to the call to open the new schools. The Education Institute selected operators for the first generation of schools—the 12 independent schools that opened in autumn 2004—from a pool of 160 initial applicants; all 12 opened under three-year renewable contracts. In 2005, 21 additional independent schools opened, and in 2006, 13 more opened. Today, there are about 46 independent schools. By September 2010, all schools will be independent schools and public schools will not exist. The Ministry of Education will merge with the SEC. The SEC will also change structure before completely merging with the Ministry, see figures below:

Figure 11: SEC before the Merge (RAND 2008)

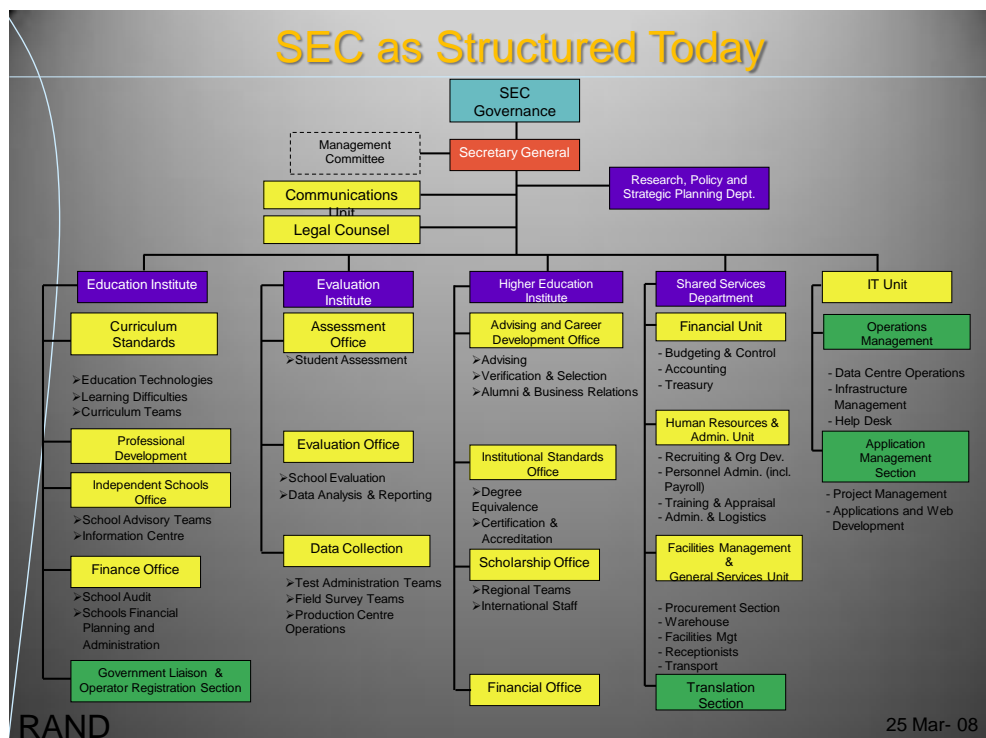
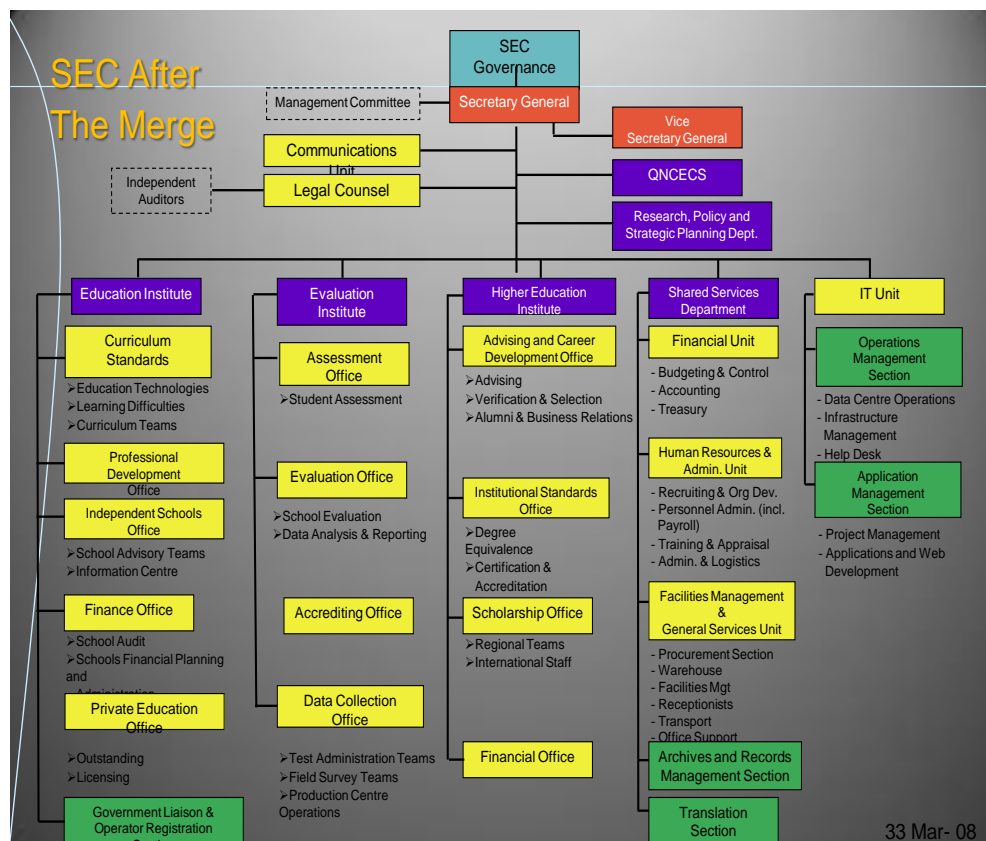


Figure 12: SEC after the Merge (RAND 2008)



Excerpt from the Researcher's Diary 18 May 2007

In the interview, public school principal XXX, complained about the lack of transparency and mentioned that the reform is starting by contradicting the very principles it was founded to promote. He felt that operators were kept in the dark regarding the different sections of the SEC and how the organisational structure works. He even went on to say that some SEC managers were not oriented about the new structure. He also mentioned that for the reform to be successful, transparency issues should be addressed. In a meeting, communicating this to SEC managers, they replied by saying that the media had been talking about the merge for a very long time, so transparency issues are unfounded. The researcher found no media articles prior to September 2009 that addressed the merge.

Since Qatar has a small population, staff and contractors had to be recruited from around the world to fill specialised positions. Foreign experts brought needed experience but sometimes found it difficult to collaborate across culture, distance, and time to implement the reform's many programmes. The wide scope of the reform created additional challenges. One key challenge has been that of maintaining everyone's focus on the interrelated changes to the whole system, especially as the number of staff and contractors expanded. The reform's ambitiousness and scope also made it challenging to communicate the vision of the reform to the many stakeholders in the education system which made some feel alienated and not involved in the decision-making process.

According to the Minister of Education, "the new framework pursues two goals: First to design the SEC according to modern, widespread principles of corporate management; second, to structure all independent schools in the same way as is applicable to private-sector companies with a strategic and an operational management."

The government viewed the owner's strategy as the most important steering element in the future. The government thus set out a strategy in consultation with the strategic management level of each independent school and implementation of the enterprise strategy was then verified by the government using the controlling process. Complementing this, a code for good corporate governance of independent schools was also drafted. The topics covered by these advisory guidelines include periodic self-evaluation and certification.

The researcher contends that the central issue in governance of privatisation of education, as in management, is how to control without interfering with operators. Interviewed operators expressed concerns about the SEC's control threatening their effectiveness. While the managers of the SEC, in defence of the government's control role, stated that while the government's aim is certainly to add value, its purpose is not to add value to the operator only, but to the exercise of shareholder prerogatives.

“Our role in the reform was to enable the necessary control without weakening the operator's role. Also we must offer continual evaluation of the operators' performances so that continuous higher control structure responses are possible. It must give the government better choices than being either passive or disciplinary. In doing that we cannot sometimes avoid interfering in the management of independent schools.”²⁰

On the other hand, criticism of the reform from parents centred on government's avoidance of interfering with operators at the expense of weak control. Public pressure was rendering this approach unacceptable, hence, in its sixth year, the government is adjusting and finding new ways to overcome this challenge by exerting more limitations on operators. In a parent focus group meeting, some parents expressed deep concern about the SEC failing to identify operators who were lacking the experience and skills to run schools. However, most of the

²⁰ SEC manager interview 12 September 2007

parents agreed that the SEC, now in its sixth year, is beginning to recognise its dominant role as the shareholders' representative and that it is asserting its legal and moral powers more.

Summary

In order to institute fundamental changes to the system, the Qatari government introduced a new education policy body, the Supreme Education Council (SEC). Its aim was to set broad policies and goals for the new education system. The independent school reform model aimed to adhere to the following principles: autonomy, accountability, variety and choice. The SEC was designed to set short and long term goals for the new system, as well as for the Ministry of Education and all post-secondary education in Qatar. The SEC has several operational functions. It hires the heads of the Education, Evaluation and Higher Education Institutes and holds them accountable for operating according to the reform's principles. In addition, it would approve the budgets and major programmes of the Institutes, as well as the contracts held by independent school operators. Curriculum standards in Arabic, mathematics, science, and English for all 12 grades were introduced in independent schools; these standards are comparable to the other countries in the world. Potential school operators responded enthusiastically to the call to open the new schools. The Education Institute selected operators for the first generation of schools; 12 independent schools opened in autumn 2004 selected from a pool of 160 initial applicants. In the next chapter the researcher will look at the pinnacle case study to explore the changes that took place relating to corporate governance aspects after the privatisation model was implemented. It is called the pinnacle case study because its significance and because it describes the stage that saw the peak of the privatisation efforts.

Chapter VIII

Case 2 Report

Implementation of the Reform

1. Introduction

This case study is the longest case study by far. In the following, the researcher details the reform component and describes the corporate governance structure of the SEC. To effectively do that the researcher had to study the different entities that operate within the context of the bigger case study. The Education, Evaluation and Higher Education Institutes as well as different independent schools, all have different sets of policies and procedures, hence, it is imperative to examine them separately, this will also help the researcher make a more detailed analysis and serve triangulation purposes.

Because of the nature of this study, the department of Shared Services had to be included also, valuable information regarding the corporate governance structure that emerged from that unit. Furthermore, the researcher initially observed 10 independent schools; however, after 2008 5 more were added to the list of schools that were to be observed. It was important for validity that the researcher viewed the corporate governance structure from different angles and then arranged the emerged data for comparison. Such a method enriched the study and served triangulation purposes as mentioned in the methodology chapter.

The methodology employed for this case study included, observation conducted in the Supreme Education Council; independent schools; government ministries; interviews with over 200 individuals and collection of relevant documents. Data used in the pinnacle case study also include examination of:

- Summary of payments made from Ministry itemised list of payments made by the Ministry of Finance for the Supreme Education Council
- Budget versus actual spending for fiscal year 2004–2009 for each institute and department (Education, Evaluation, Higher Education, Communications and Shared Services)
- Contract names, start date, and end date of contracts and payments made to external contractors for services provided
- Policy manual
- SEC contracts

The researcher conducted observation sessions at boys' and girls' schools at all three levels (primary, preparatory, and secondary) as well as Ministry schools and private institutions. These visits included a meeting with school administrators, followed by a general tour of the grounds and classroom observations. The researcher also held interviews with parents, teachers, students and key people responsible for and interested in the success of the education system. The interviewees were the Secretary General of the SEC, Heads of Institutes, school personnel, students, parents, officials at the Ministry of Education and other ministries. The interviews were held under conditions of anonymity and focused primarily on gathering information about the perceived strengths and weaknesses of the control structure of the education system, barriers and untapped resources for change and ideas for improvements. Although most of the key decision makers and employers could be interviewed in English, most Ministry interviews were conducted in Arabic to avoid ambiguity as some members of staff were not fluent in English.

As part of the case study analysis, the researcher also conducted focus group sessions with teachers, students, and parents in Ministry and independent schools. These interviews and

focus groups explored the study's main questions from the standpoint of specific stakeholders. Teacher groups focused on the appeal of Ministry and independent school positions, as well as the challenges and rewards of working in independent schools. Student groups focused on school satisfaction, performance motivation, and views of independent schools. Parent groups focused on concerns about independent schools, particularly the lack of textbooks and the ability of teachers to develop curricula and materials, a task long regarded as a Ministry function. Parents also talked about their involvement in the school and with their children's education.

The researcher also gathered relevant documents and data from the Ministry of Education, including student test scores, curriculum materials, and regulations. Apart from these test scores, descriptive information on students, teachers, schools, and administrators was also looked at. In addition, the researcher consulted earlier evaluation reports on the Qatari school system. A list of primary and secondary data sources are found below.

Table 4: List of Primary and Secondary Data Sources

Unit of Analysis	Primary Data	Secondary Data
SEC Managers/staff	Semi-structured Interview	SEC website, media articles
Operators	Observation, interview	
Teachers/other staff	Observation, teacher/ focus group, interview	Curriculum materials, resources, & schemes of work, memos, newsletters.
Students	Student focus group	
Parents	Parent focus group, interviews	Media articles, complaints' files in schools
Ministry Managers/staff	Semi-structured interview	Ministry documents, memos and reports

The researcher was allowed to select the classes to be observed. The classes chosen represented a range of student age groups. In total, the researcher observed 50 classrooms. As mentioned in the introduction, a radical approach was developed by RAND QATAR, which meant that the education sector would be privatised and the schools would act as private corporations. With the injection of market forces and competition, the decision-makers were anticipating that the education sector will benefit from these new forces of privatisation. Although internationally there were few attempts relating to privatisation of education (e.g. charter schools in the States), however, a whole scale privatisation of public education has never been implemented in a country before.

2. Background

Qatari leaders approached the RAND Corporation in 2001, asking it to examine the Kindergarten through Grade 12 education system in Qatar and to recommend options for building a modern efficient system consistent with other Qatari initiatives for social and political change. After selecting the option that seemed best suited to the Qatar context, the Emir of Qatar issued Decree No. 37 in 2002, which established the Supreme Education Council (SEC) as the highest authority in Qatar's education sector to lead a reform entitled "Education for a New Era". The reform focused on K–12 education and was designed to decentralise authority and increase flexibility based on the principles of autonomy, accountability, variety, and choice.

The first independent schools in Qatar were established in the form of charter schools that were operated independently from the existing Ministry of Education. School operators were allowed to exercise autonomy over both academic matters and financial matters, such as staffing and resource allocation. This autonomy was intended to lead to variety, which in turn

would lead to quality improvements in schooling options. Parents were permitted to exercise a limited degree of choice over their children's enrolment. All independent schools were converted from pre-existing Ministry schools, although many were located in new facilities.

Twelve independent schools opened in the 2004–2005 academic year, 21 more in 2005–2006, and 13 in 2006–2007. Thus, in 2006–2007, 46 independent Schools were operating alongside approximately 164 Ministry schools and 292 private schools. Independent school students represented approximately 18 percent of all K–12 students in Qatar, both private and public in that year. The number of independent schools continued to grow, with 19 more opening in 2007–2008 and 15 more opening in 2008–2009. The academic year 2009 – 2010 will see the last public school turn independent. The whole public education sector will become a profit driven model that resembles the privatisation of other sectors in the country.

A second important lever for change was the development of new curriculum standards for independent schools. These were developed with the assistance of outside contractors and covered four subjects Arabic, English, mathematics, and science. They were benchmarked to international standards. Third, standardised national assessments were developed and administered in the same four subjects to students in publicly funded schools to determine how well they met the new standards. May 2007 marked the third administration of standards-based assessments to independent schools in Qatar. After the decree, Qatari leaders asked RAND to reassess the system and align the strategy of the reform to the changing business environment.

In the media, not only in countries in the region but also internationally, the reform was gaining momentum.

Qatar Rewrites ABCs of Mideast Education Middle East News May 15, 2010

School teachers across the Gulf region have been bound by entrenched programs that emphasize rote learning, often from outdated textbooks. Qatar, with a tiny population and outsize natural-gas export revenue, launched a new system in 2004 that stresses problem-solving, math, science, computer skills and foreign-language study. The final slate of new schools in the program was approved last month, giving Qataris over 160 new schools to choose from when the next school year begins in September.

"The old system churned out obedient but passive citizens. What good is that for a global economy?" says first lady Sheikha Mozah bint Nasser al-Missned. She also cites personal and national reasons for the overhaul of the education system. "We don't want passive citizens. I didn't want passive children either," she says.

By the end of this year, officials say all Qatari children will be taught at new schools under the new system, and the nation's teachers will have been re-trained or forced to retire.

Yet rising test scores among Qatari children enrolled in the new schools suggest a potential model for other Arab education officials struggling to raise standards to those comparable to the U.S., Europe and Asia. "Qataris value education ... [but] we are a society that respects tradition," says Sheikha Mozah. "We've had to find the right pace to accomplish our goals."

It is far, far from clear that Qatar's effort can be replicated widely. Of Qatar's 1.3 million people, just 350,000 are citizens. As one of the world's largest natural-gas producer, according to the Central Intelligence Agency. Qataris involved in the educational overhaul say one of their advantages is the commitment of their ruling power couple.

Increasing the variety of high quality choices for parents and students continued to be a priority for the Supreme Education Council. The SEC introduced additional private schools into the education system through an Educational Vouchers Programme. These schools had to meet certain criteria to be able to join this programme that aims to improve educational options and raise standards of achievement. Parents with children eligible for a government

funded education are able to use educational vouchers towards the tuition costs in the school of their choice.

This programme follows the principles that guide the current education system which aims to allow parents to exercise increasing levels of choice in selecting the best school for their children, from a growing number of alternatives. A further expansion of the system to accredited private schools and international schools was also implemented.

Table 5: Educational Vouchers' Programme

Year 1 (2008-2009):

The Educational Vouchers Programme was introduced by the SEC in September 2008. Year 1 offered an opportunity to establish the administration procedures for the programme. During this year, programme mechanisms were created and assessed. Three private schools joined the programme and a group of students were included. These students represent some of those for whom the Education Institute will have direct responsibility for funding in future years.

Year 2 (2009-2010):

In Year 2 of the Educational Vouchers Programme, the SEC continued to develop the administration procedures and improve the administrative structures established during the first year. The programme incorporated a group of new private schools that met high standards of excellence and included an additional group of students. The SEC created the application process for schools.

Year 3 (2010-2011):

In Year 3, the Educational Vouchers Programme will include additional private schools that are eligible and places for a wider range of Qatari students. As a result of feedback from parents and schools involved in the programme in Years 1 and 2, the programme's policies and procedures will be further streamlined.

3. Reform Organisational Structure

The SEC was designed to be the main education policymaking body setting short and long term goals for the new system, as well as for the Ministry of Education and all post-secondary education in Qatar. The members of the SEC manage the strategy related to the new system. The SEC board of directors hires the directors of the Education and Evaluation Institutes and holds them accountable for operating according to the reform's principles. In addition, according to RAND's recommendation, the SEC is required to approve the budgets and major programmes of the institutes, as well as the contracts held by independent school operators.

To carry out its mission, RAND suggested that the SEC would need a flow of information on key issues and decisions. It would need to maintain an open and continuous channel of communication with the institutes and with those who work in and attend the independent schools. However, it was not specified how and by what means the SEC is to be kept informed about the development of the reform; regular meetings were the only means of communication between SEC and heads of institutes. Lately an online resource centre was introduced with the aim of providing members of the SEC with necessary information regarding the development of the reform.

The researcher interviewed several SEC board members and managers to investigate if the system allowed them to be well informed and close to what is happening in the education sector. However, the interviews showed that most of the SEC board members had little knowledge of the operational functions which kept them far from the action and made decision-making unrealistic at times.

“They – SEC board members and managers – know nothing about what is going on in the classroom, Arabic is not being taught properly. Although I appreciate that my son is studying math in English now, I want my son to master Arabic like I did before him, Arabic is a very difficult language and unless taught right, our sons may end up being illiterate in their mother tongue”.²¹

However, some SEC board members felt that the flatter organisational structure brought them closer to the action.

“Meeting regularly with the SEC heads of institutes, brings us closer to what is happening in schools, I feel I know exactly what my daughter is studying and how it is being taught, we are fortunate to have this great system.”²²

4. The Education Institute: Balancing Various Tasks

The function to select operators is given to the Education Institute as mentioned previously; The Education Institute undertakes the contracting of schools and provides those schools with the financial, professional development, and other necessary resources. It also houses four offices: the Independent School Office, Finance Office, Curriculum Standards Office, and Professional Development Office.

The Independent School Office is responsible for developing guidelines for the contracts under which independent schools operate. It also recruits potential institutions and operators and assist them in the application process. It makes recommendations to the SEC to grant,

²¹ Parent focus group meeting October 2009

²² Interview SEC board member October 2009

renew, or revoke independent school contracts and provides support for independent school operators to help them achieve their educational goals and enforce the terms of their contracts. During the life of the reform, few schools saw their licenses terminated, various reasons led to the termination. A school operator who lost his license discussed the reasons behind the termination with the researcher,

“They said I cooked the books, well, it is for profit model after all, and they don’t let us keep the surplus and I have used my own money sometimes to spend on the school”.²³

“They (SEC) should look into their selection of operators criteria; this license termination is jeopardising the reform. It is enough that many aspects of the reform are criticised constantly in the media. The SEC has to take the function of selecting operators away from the Education Institute. I am an operator of a successful independent school; I was encouraged to apply for another school. My application was denied and I found that several weak operators were chosen; I wouldn’t trust those operators with a classroom let alone a school.”²⁴

Some managers in the Education Institute also thought that the task of choosing operators is something the Education Institute is finding difficult to handle given the many tasks given to the institute.

“At times we are accused of favourism, school operators accuse us of choosing operators because they think those operators are friends with a manager or the Head of the Institute, this is never the case. The truth is, we don’t have enough time to do the various tasks given to us, I wish they would create a different entity for the task of choosing operators. It is no trivial matter, it can make or break the reform, we need

²³ School Operator interview 9 November, 2008

²⁴ Focus Group January 2009

academics from various sectors to be on a panel that look into the applications and make better selections”

The Finance Office

The Finance Office also falls under the Education Institute. It allocates resources to schools based on a funding plan in which per-pupil allocation bears a close relationship to the estimated cost of educating students in independent schools. The amount is set at a level to attract potential operators and allow reasonable, but not excessive, rates of return to operators. The funding amounts at the beginning of the reform were flexible enough to allow for unexpected costs, however, more restrictions were introduced at a later stage to curb corruption. This plan system is supplemented by a grant system in the event that real costs of schooling were underestimated, and as a way to promote variety among schools.

The Finance Office is tasked with distributing funds to schools in a timely and efficient manner and is tasked with maintaining high standards of financial management among operators as well as monitoring spending. Nonetheless, operators complain that in its initial years the reform gave operators more freedom to purchase various school items; however, after few instances of abuse, the SEC put more limits on operators in regard to the budget.

“Just because few were found to cheat should not mean that I have to get more than one person to sign a document if I want to buy a fax machine. It is hindering our progress this bureaucracy”²⁵

Several independent schools observed made efforts to generate funds through grants or fundraising. The researcher found that while some schools received substantial

²⁵ Interview with school operator November 2009

supplementary funds through these efforts, others were less successful. Some operators managed to forge partnerships with some private educational or business entities that provided schools with some resources.

However, some operators interviewed by the researcher did not seem very familiar with that aspect of funding. In one of the boys' middle schools observed the operator was unable to provide any additional insight into his school's funding. He said that he did not have complete understanding of what he was entitled to under the law. He also complained that the SEC did not give him a grant to conduct his annual conference, when according to his budget, the surplus was substantial.

“I tried to find out (about the grant) I called the Education Institute. I wanted to use the surplus to organise our very successful annual conference. My request was declined; I was told that the conference was not effective last year. Well! No one came to visit us during the conference last year from the SEC”.²⁶

On the other hand, another operator expressed his familiarity with the budget; he seemed to have the knowledge and information necessary to ensure that his school received the greatest amount of resources. Not only did he demonstrate to the researcher his expertise when it came to the budget but he was also familiar with other SEC regulations and was comfortable communicating with the SEC staff.

“In spite of initial conflict regarding hiring teachers for my school, I developed a positive relationship with the SEC.”

²⁶ Operator interview May 12 2008

Another operator thought the SEC was becoming very bureaucratic when it came to the financial management of independent schools; he explained that because some schools were engaged in bad schemes, regarding purchases, operators now require multiple signatures and reviews of simple purchases. Also the same operator complained that he could not fire a teacher whose work was mediocre nor could he employ a non-Qatari for an administrative position due to the Qatarisation policy.

In 2009, following complaints from parents, the Education Institute warned schools against collecting extra fees from parents. Some schools were charging students extra fees for various reasons, for example, in an attempt to provide healthier meals one school charged parents extra fees.

Panel Warns Independent Schools Against Collecting Fee The Peninsula (News Paper Article) 12/28/2009

The Supreme Education Council (SEC) has sent urgent circulars to all the independent Schools restricting them from collecting any kind of fee from the students. The circular has strictly asked the schools not to collect any fee for meeting the students' educational or non-educational demands in the school. The directive further said not to impose any fees on non-Qatari students except the text book fee and transportation fee.

Of late, the SEC has been receiving complaints alleging that some independent Schools were collecting fee from the students for distributing educational materials and for participating in some school events.

Finance Handbook

The Finance Office distributes a finance handbook intended to provide potential school operators with the information necessary to complete the financial component of the independent school application. The application calls for an overview of a school's financial

management and governance issues, and also discusses the requirements of the Education Institute's accounting and monitoring system. The first section of the handbook provides an introduction to the school financing system, presented in a question and answer format.

The independent school application, financial planning section, discusses the fiscal information and forms necessary to apply for a contract to operate an independent school. This section also provides the forms, instructions and guidelines for preparing the financial sections of the application.

The financial monitoring of independent schools section is a guide to the financial management system required by the Education Institute. In return for the funding provided by the Education Institute, school operators are required to adhere to the accounting, monitoring, and reporting requirements outlined in this section.

The appendix contains sample forms and template documents. The sample reports are those required by the Education Institute on a periodic basis. The appendix also contains two documents that address financial management and governance within the school: The "Recommended Fiscal Policies Guide" and "Recommended Fiscal Procedures Guide". These templates may be edited by school operators and the final version is then submitted to the Education Institute for review.

"I found the finance hand book very useful in helping my team fill the application. Although it took us one month to put everything together, I knew after filling in the required information, that I will be granted the license to operate an independent school. The application helped me look into the areas I did not know much about, mainly financial skills. Since then I have been developing those skills"²⁷

²⁷ Interview with operator of secondary school for girls: November 12, 2008.

The Curriculum Standards Office

The Curriculum Standards Office is responsible for developing curriculum standards for the independent schools that specified both content standards and performance standards. These standards embody the government's expectations for student outcomes and set a performance benchmark for all independent schools whose students would eventually take national assessments based on these standards.

The curriculum standards are in four core subject areas selected by the Qatari leadership as the most important for realising social and economic goals - Arabic, English, mathematics, and science. Other important subjects, such as history, would not follow a set of centralised standards. By decree, all schools should teach Islamic studies. Independent schools are free to offer any other subjects and to develop their own standards in these subjects. One of the schools the researcher visited offered more mathematics and science classes and fewer Arabic classes while another offered more science and fewer physical education lessons. Schools are also given guidance on how to follow the standards when designing their curriculum.

Teachers are also free to design instruction in multiple ways to suit the needs of different students. Unlike the old Ministry system, this new system provides maximum flexibility for schools and teachers to help students reach specified performance levels (RAND 2008).

The researcher found that although some schools based their curriculums on the standards set by the Education Institute, most found problems implementing them, the reasons ranged from the unavailability of text books that fulfilled the standards to teachers' unfamiliarity with them. However, the most frequent reason cited was the weak monitoring of curriculum fulfilment by operators which many traced back to the weak monitoring system of the SEC.

“My son only covered few pages from the science book he was given” explained a parent. “In the ministry schools the teacher had to finish the book now they only cover few pages and when I complained to the operator he said the teacher used other materials because the book is not the only teaching resource in independent schools. What worries me is that in his note book my son has written nothing to show that he is been learning from sources outside of the text book.”²⁸

The expectation in granting teachers the freedom to design lessons was that they would be motivated. However, the researcher found that a lot of teachers were not comfortable using curriculum standards to guide the teaching practice. RAND in a report presented to the SEC suggested that this discomfort with the curriculum was due to teachers having difficulty understanding the standards and that parents and the general educational community needed time to get used to the idea that set texts, materials, and classroom lessons were not specified in the standards and that their absence did not necessarily imply that students were not learning (RAND 2008).

In 2007, as complaints from parents about the absence of textbooks mounted, the Education Institute established a policy stating that a primary textbook for each subject should be adopted. The key criterion for adoption was that the textbook cover approximately 70% of the material included in relevant standards. Consistent with its mission to support independent schools, the Education Institute supported this policy with a list of texts that met the criterion, as well as a resource library staffed by subject-matter and developmental

²⁸ Parent Interview March 9 2008

specialists. In 2010, the Education Institute proposed text books in certain subjects, such as Arabic, for schools to choose from.

Focus groups and interviews with principals, teachers, and parents revealed dissatisfaction in regard to schools and teachers developing their own curricula and choosing materials for use in the classroom. Ministry teachers and some parents of independent school students were critical of the lack of teacher expertise in this regard. They preferred the Ministry school approach, in which subject matter experts with advanced degrees develop curriculum.

“The transition from a system in which curriculum is entirely predetermined to one that requires the intense individual involvement was a change that needed facilitation, we don’t have the human resource to carry this change through. The teachers that are asked to innovate and come up with innovative designs are the same old Ministry teachers who have never done it before. How can we trust them to make the leap?”²⁹

Parents concern grew more after the Head of the Education Institute was interviewed on a TV programme to discuss curricula in independent schools in 2007. Newspapers ignited parents’ concern by publishing an article entitled “Independent Schools Get Fail Marks in TV Debate”.

Independent Schools Get Fail Marks in TV Debate Gulf Times (News Paper Article) 11 November 2007

The independent schools system came under fire in a programme aired by Qatar TV yesterday. The motion that “Independent schools have improved the quality of education in Qatar” was defeated by a majority of 53% at the monthly Lakom Al Karar programme.

²⁹ Interview with a manager in the Higher Education Institute: October 12, 2008.

Among the participants were students as well as graduates of independent schools. The independent school system is part of the Education for a New Era initiative launched four years ago. Interviewed on Lakom Al Karar, the Director of the Education Institute at the Supreme Council for Education, Sabah al-Haidous admitted that independent schools faced several challenges. “We have difficulty in finding efficient teachers who can lead the change the initiative seeks,” she said. However, she stressed that it was too early to judge the independent schools. “We have to wait for a minimum of 12 years. Only 12 schools have been working for three years, while others are now one or two years old,” she said. Asked why all the public schools run by the Ministry of Education would be changed to independent schools, she said the education needed for the new era Qatar was witnessing could not be provided by a Ministry. “While the old education system is a centralised system, the new education we seek is a decentralised process ... Our country has very ambitious plans for community development and education is one of the main tools. I am of the view that the public schools run by the Ministry of Education would not be able to provide our country with the needed skills,” she explained. One of the student participants said that although independent schools provided an advanced education, Islamic identity was neglected in the curriculum. “Parents in Qatar have to choose between giving their children an advanced education in independent schools although compromising the Islamic identity of their children, and giving them an incomplete education but with a focus on religious studies in the Ministry of Education schools. We are not permitted by our teachers to recite the Qur’an in the classrooms,” he said. Al-Haidous dismissed this argument saying:

“The curriculum of religious studies was the same as that of the Ministry of Education schools. Independent schools were run by Qatari Muslims who were keen on promoting Islamic values and morals, she said. If parents found any school neglecting religious studies they should report it to the Education Institute,” she added. “Independent schools are only funded by the state. But the monitoring process is mainly in the hands of a board of trustees and the owner of the school. The community has a big role to play in monitoring these schools.” To a question about the poor quality of teachers, al-Haidous said the Supreme Council for Education had recently set new standards for teachers joining these schools. “Every teacher has to obtain accreditation from the Evaluation Institute before he can teach in independent schools.”

Another student complained that Arabic was being neglected in these schools. “I think that

Arabic is being overshadowed by English. Our classmates are very bad at Arabic grammar, and English is the main medium of instruction now in these schools,” he said. To this al-Haidous said that 60% of the subjects were taught in Arabic. To a complaint about the gap between the requirements of the Education City universities and the current output of independent schools, the official admitted that her institute was not fully prepared for the new system. However, she said the initiative would develop over time and achieve the expectations of the community. “We had no choice but to create a new education system as the old one was not meeting the challenges faced by the country. We are a tiny country with a small population. Our ambition is that the output of independent schools would compete with that of the international schools in Qatar,” she added.

The Professional Development Office

The Professional Development Office, another department of the Education Institute, provides professional training programmes for teachers, principals, and others in the independent schools. The Professional Development Office is also responsible for conducting needs assessments for professional development, designing activities and programmes, and identifying appropriate providers of programmes. Below is a sample of an advertisement for a workshop organised by the SEC.

Workshop and Panel Discussion

Aim of the Conference: To promote research activity among teachers and practitioners completed in Qatar during 2009-2010 and encourage others to learn about and engage in action research.

What to Expect: Paper and Poster Presentations, Panel Discussion, Recognition awards and certificates, Letter of Attendance (for the Workshop & Panel Discussion) of participation (will be distributed at the end of the conference day)³⁰

³⁰ SEC website as of October 2009

It was also recognised that development of a strategy for ensuring an adequate supply of highly qualified, well trained professionals was important to the success of the independent school system. Even if the new schools were successful in attracting the most highly qualified Qatari teachers and staff available, most of these individuals would still need to learn a very different set of professional skills to function effectively in a decentralised but standards-based system. Special attention would have to be paid to ensuring adequate professional development for teachers, administrators, school operators, regulatory agencies, governing boards, other school staff, and even parents and community members. However, this, most of the people interviewed contended, should have been done prior to implementing the reform. The fact that little time was given to the pioneers resulted in operators, who had little knowledge about the new system, leading the reform.

While some teachers interviewed by the researcher complained about the level of professionalism of training programmes offered by the Education Institute, others thought programmes helped them employ multiple teaching strategies, work with little supervision, and collaborate with other teachers.

“Some professional development programmes are helpful and some are quite useless and do not relate to our work. I wish they listen to us and let us decide which areas we need help with.”

However, some operators in focus group meetings said that training programmes helped them understand the accountability and financial systems.

New Professional Standards for Teachers and Administrators Al Raya (Newspaper Article) 15 March 2008

The Education Institute launched Qatar's first set of professional standards for K–12 teachers and administrators. These standards, implemented in a seven-stage process, are integral to the continuous improvement of Qatar's schools. Designed to accompany curriculum standards, the rigorous professional standards benchmark the skills and knowledge necessary for teachers to excel in independent school classrooms, ensuring they have deep understanding of the subjects they teach. Administrators use the standards to help drive goal setting and employee assessment.

5. Evaluation of the Reform

The Evaluation Institute assesses and evaluates the performance of schools, students, programmes, and service providers to encourage the development of high quality options for the education in Qatar. It houses four offices: the Student Assessment Office, School Evaluation Office, Data Collection and Management Office, and Research Office.

“The Student Assessment Office designs and implements a student assessment system at the national level. The system includes several elements: national tests of student achievement, a process for regular administration and monitoring of these tests, a process for maintaining test quality and a process for producing reports on student achievement at the national school and individual levels.”³¹

The new tests administered to independent schools students are in alignment with the new curriculum standards. The School Evaluation Office designs and implements a process for evaluating schools. It has also developed school report cards, which provide school-level achievement scores from the national test, as well as additional descriptive and evaluative

³¹ Interview with Head of Evaluation Institute May 2009

information about each school. The report cards are publicly available to all parents, who could use the information in choosing schools for their children.

Figure 13: Sample of a school's Performance Card for the year 2008/2009

بطاقة تقرير الأداء المدرسي للعام الدراسي ٢٠٠٨/٢٠٠٩ م	
الأحنف بن قيس الإعدادية المستقلة للبنين	
العنوان:	شارع الفاروق - الدوحة الحديثة
رقم الهاتف:	٤٩٩٧٤٤٤
رقم الفاكس:	٤٩٩٧٤٤٥
نوع المدرسة:	مستقلة
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The main aims of the School Report Card (SRC) is to help parents and the community generally become more informed about, and thus subsequently more involved with, Qatar's schools and provides a basis by which parents can engage with schools and discuss and influence important matters relating to their children's schooling. School cards, the researcher contends, do help parents make better decisions about their children's schools and schooling, and enable them to exercise informed choices. However, not all parents knew about the school's card yet in spite of the SEC's continuous efforts to conduct informative workshops for parents about it. In the parent focus group, the reason for parents failing to attend the workshops, relating to school cards, was mainly that they (parents) were not made aware of the workshops. The call/invitation for these workshops often came one day before they were due to be conducted or notification was given through the SEC website which parents seldom log on to.

Moreover, only parents who have a deep understanding about the schooling options available are ideally positioned to use school cards to make sound decisions about which school or schools are best for their children. What is clear from interviews though is that the SRC is an important component which can help facilitate the connection between school and parents and that the SEC should find efficient channels to make the public aware of its viability and purpose.

Overview of the School Reports

The data presented in the SRC offers a focussed, selective and indicative picture of the school rather than an extensive, exhaustive and prescriptive one. On their own, these data are not sufficient to make definitive judgements but they serve as a useful basis for considering schools and assisting parents' in finding out more about their child's school. The SRC information, together with that which parents may obtain from the schools themselves and other sources, need to be assembled, considered and assessed. For an individual parent such activities can be challenging and demanding but they are certainly worthwhile as the outcome will be a better education for their child. In addition, school administrators and teachers use the data on the report cards to develop school improvement efforts and to monitor their success. School Reports on the other hand provide more in-depth information. Other countries like the United Arab Emirates have developed school report cards similar to that used in Qatar.

School Reports to Be Used as Means of Choice by Parents United Arab Emirates

Khaleej Times (Newspaper Article) May 12, 2010

Schools that are at the bottom of the education authority's ranking table may find classrooms emptying out if they do not pull up their socks. The Knowledge and Human Development

Authority did notice students shift between schools.

Dr Abdulla Karam, Director-General of KHDA, stated the results in schools inspections as a possible reason for such movement. He said the comprehensive school inspection reports will be integral to parents' school related decisions.

"It will be used as an instrument of choice if a parent is about to enrol their child in a school," he said. "But it should be used as an instrument of dialogue with the management and staff if their kids are already in the school."

In the second round of inspection at 209 public and private schools by the Dubai Schools Inspection Bureau (DSIB) between October 2009 and March this year, 25 schools were found 'unsatisfactory' and 106 'acceptable'. Unsatisfactory schools have been stopped from expansion as well. "We have restricted their existing operations and denied privileges to underperforming schools," said Karam.

"We say don't make it worse...fix it first. We are making all efforts to mitigate further worsening of the situation," he said. Out of the schools that got the lowest rank in the first round of inspections only seven managed to turn around their situation.

One of the schools that moved out of the 'red', The Oxford School, has taken significant strides towards improving education standards and now falls in the 'Acceptable' category. Principal, Nikhat Rahman said school rankings affect student enrolments.

"The report on our performance impacted our admissions last year and we saw a dip," she said. "However, with this year's report and the progress the school has made we are seeing many more admission requests this year," she said.

The school has been praised for working towards the recommendations from the first inspection cycle but still needs to improve teaching and learning in the foundation stages.

Though content with the 'Acceptable' school her daughter goes to, Mary Mulcahy said some

parents are swayed by ratings. “It’s all about image in Dubai,” said the mother.

“Some parents cannot be seen sending their children to a school that have ranked poorly.” According to Mulcahy the education standards at her child’s school are much higher than her country, Ireland. “I would only like to see a little more attention to discipline in the school,” she said. Waiting lists at ‘Good’ and ‘Outstanding’ schools are likely to grow with anything below being a compromise for parents.

Mohsen Khan whose son studies at an ‘Unsatisfactory’ school is aware of the school’s shortcomings and has discussed these with the management on several occasions and said, “I am looking for another school right now but until then can only hope the school inspections lead to improvements.”

With a majority of schools falling below good standards, parents also say top ranking schools are few and far between. “My school choice depends on word of mouth recommendation and affordability of the tuition fees,” said a mother of two children at the Dubai Scholars Private School. The school has not progressed from the ‘Acceptable’ grade it received in the first inspection.

Jameela Al Muhairi, chief of DSIB encouraged parents to read the individual inspection reports that are posted on www.khda.gov.ae. “Parents must use the reports wisely and work with their wards’ schools to overcome challenges,” she said.

The Schools’ Report provides a snapshot of Qatar’s schools, detailing their main characteristics, provisions, processes and outcomes. It is designed to inform and provide objective, data-based considerations about schools and schooling. There are over 260 tables which contain information about schools overall as well as information for each stage of schooling (primary, preparatory and secondary) and type of school (independent or private). The scope of the report is broad. It is a rich set of data covering: students, parents, teachers and principals; school governance, leadership, services and facilities; educational provisions

and approaches, teaching practices assessment methods, homework and student academic achievement; student attitudes and behaviour; parents' interaction and involvement in schools; and client (i.e. parent and student) satisfaction with aspects of school.

“The main aim of the School Report Card is to help the community become more involved in their children's learning; it is an empowering tool for parents, the SRC provides a basis by which they can engage with schools and discuss and influence important matters relating to their children's schooling.”³²

The challenge, however, is that when choosing a school for their children parents in Qatar have other factors to consider, for example, tribal influences.

“My son's school has just turned independent, I have to drive him for miles to our new school of choice, I am from the Hajri Tribe and the operator is a Marri. Our families don't get along, you see, the first few days he went to school all the Marri children followed him home and wanted to beat him up. I am scared that he might also lose him temper and engage physically with them' I decided to move him. I think those that designed the system are outsiders and don't understand our way of living. I think they if they are going to set up in an area where there are Marris and Hajris living next to each other, they should select an operator from outside those tribes. What does RAND know about the tribes of Qatar?”³³

“Parents, who have a deep understanding of their own child's capacities and sound information about the reform, can make sound decisions about which school or schools are best for their child. The SRC is an important component, which can help us choose a good school for our children.”

³² Interview with Head of the Evaluation Institute March 2009

³³ Parent focus group September 15, 2008

Another way the Evaluation Institute keeps parents informed is through the SEC website, television advertisements and newspaper articles. Below is an excerpt from the SEC website regarding the Evaluation Institute issuing the periodical Triennial School Reviews for twelve, Cohort III Independent schools for boys and girls.

Triennial Reviews for Cohort III issued

SEC Website July 6 2009

The Schools Evaluation Office at the Evaluation Institute of the Supreme Education Council issued the periodical Triennial School Reviews for twelve Cohort III independent schools for boys and girls. The report also included the review of one school from Cohort II that was not evaluated last year and exceptional reviews for three schools that had poor performances in the last academic year.

Triennial School Reviews (TSR) identify schools' achievements, strengths and weaknesses and areas that may require attention and improvement since their inception. The TSRs aim to ensure the quality of academic performance, delivery of a good level of education within the framework of Education for a New Era as well as to assess the social development made by the students during their schooling. They also promote the use of schools for the evaluation to develop and improve their performances.

The data are collected from a variety of primary sources and documents including school records, interviews with school administrators, staff, students, parents, classroom visits, direct observations of the evaluation team, along with the results of students in the national tests.

The parents' handbook also aims at better acquainting parents with the reform.

Sample Document from SEC Parents' Handbook

Curriculum standards are an important part of the education reform effort. These standards set out goals for learning and reflect what Qatari students should know, understand and be able to do at each grade level. They also identify what should be taught at each grade level. Because the standards are based on international benchmarks,

students who meet the standards will be able to compete for college admission and jobs throughout the world.

The Curriculum Standards Office is responsible for establishing rigorous curriculum standards at the independent Schools in four subjects: Arabic, English, mathematics and science. International benchmarks are used for three of these subjects. However, because benchmarks did not exist for the teaching Arabic before, Qatar is considered the first to develop standards in this important area of study, setting an international precedent that other nations can adopt.

Standards were developed in these four primary areas because they are deemed to be essential for Qatari citizens in the modern world. The national language, a second language, mathematics and science referred to as “core subjects” because students’ progress in other subjects often depends on their progress in these four areas. These core subjects are taught in nearly every country to all students. Other subjects will also be taught at the independent schools but may vary from school to school.

The curriculum standards established by this Office and currently being implemented in the new independent schools are as follows: Science Curriculum Standards, Math Curriculum Standards, English Curriculum Standards, Arabic Curriculum Standards, Islamic Studies Curriculum Standards and Early Years Education.

The Data Collection and Management Office

The Data Collection and Management Office is responsible for collecting and maintaining data that inform school administrators and decision makers about the reform’s progress and the education system’s performance. This Office developed a data system, to include codebooks of data properties, file layouts, data security, and linkages among information centres. The Research Office is intended to lead the design of this data system. The Research Office is expected to design and monitor the comprehensive data system. The Qatar National Education Data System (QNEDS) contains descriptive information on students, parents, teachers, school administrators, schools, and employers. The Research Office is also expected

to conduct studies on schools and on the reform in general. However, after several interviews with the Research and Policy Unit head, the researcher found weaknesses linking the research Unit and the Evaluation Institute. However, since March 2010, the Research and Policy unit was restructured to overcome the communication problems.

As the reform progressed the public's complaints about the quality of learning in independent schools made decision makers put more pressure on operators to produce better exam results. Subsequently, this might have led to some schools resorting to illegal methods to produce the desired results.

The Evaluation Institute Investigates SEC Website: News Article April 16, 2009

Mr. Adel Abdulrahman Al Sayed, director of the Evaluation Institute told "Watani Al habeeb sabahelkhair" radio program that the institute is seriously investigating the charges of cases of cheating by primary, preparatory and secondary students in the just concluded Qatar Comprehensive Educational Assessment (QCEA) tests.

Mr. Al Sayed specifically thanked one bold female student who called in to complain about the science teacher providing answers to the exam. He pointed out that the institute has taken the allegations very seriously and the matter is under investigation and the institute will take action accordingly. He also added that results from the investigation would be presented to the HE Sheikha Al Mahmoud, Secretary General of the Supreme Education Council and to the members of the Executive Committee of the SEC. The director confirmed that the institute is technically equipped to score all the tests in such a way that it can detect cases of cheating or fraud, adding that any school engaging in such a practice is simply seeking to improve its image and academic outcome, but in the wrong way.

On the question about the presence of invigilators/inspectors from the Evaluation Institute Mr. Al Sayed said, "The institute has full confidence in the administration at independent schools as they have participated in the tests in the past. The Evaluation Institute provided the school with observers from the beginning of the implementation of the tests." However, he

pointed out the chance of schools obtaining the tests before the test dates are very narrow as the papers are distributed at six o'clock on the morning of the test itself.

6. Operational Principles for Institutes

The heads of the two Institutes are responsible for the strategic direction and vision of their respective offices and their overall management. The institute heads were also given the power to hire, fire, and oversee the work of their office managers; they also manage their own budgets, allocate funds to their Offices, and oversee their own and their Offices' needs for facilities and information technology. Each institute head is responsible for the efficiency of the internal external communications. The heads also work closely with the SEC to revise education policies for the country, monitor progress, and make adjustments as needed.

The researcher found a few communication problems; information was not reaching relevant parties in a timely manner; furthermore, some information was going to the wrong department. Therefore, addressing problems is delayed at times because of miscommunication problems. Similarly, information to stakeholders outside the SEC was not very effective. The researcher contends that part of the dissatisfaction with the reform by parents is because institute heads did not communicate the SEC's vision and strategy to the public enough. Parents in focus group meetings felt that the vision should have been communicated more through speeches, press briefings, newsletters, and other public relations activities. While the SEC website is efficient and well-designed, it is not used innovatively along with other channels of communication to better acquaint the public with the reform.

“We are less reliant on hierarchy and rules. Unlike the Ministry, the SEC is a leaner system that promotes flexibility. We work against bureaucracy. We have the authority to solve problems and make decisions. Moreover, to promote inter-office and inter-institutional collaboration, we (Education and Evaluation Institutes) are housed

together at the same location ... I don't think communication between our two Institutes is lacking.”³⁴

“Yes, I do feel there are still some communication problems between our institutes, the Education Institute and the Higher Education Institute. It is important that I get regular reports from the other institutes to better perform my job. They also should work and base their decisions upon my reports which are made available to them in a very timely manner.”³⁵

Excerpt from the Researcher's Diary March 2009

“Visiting the Education Office and seeing their nice building, I could understand why some managers in the Evaluation Institute were complaining about, the people in the Education Institute seemed happier, they greeted me with a smile, I was immediately taken to a very nice waiting area ... In the Evaluation Institute, the employees seemed less happy with their physical premises, the Evaluation Institute certainly seemed not well-maintained. A manager complained about his office, he said, ‘Just because we don't have a lot of parents visiting us does not mean that we have to be given a less attractive building. What is worse is that the Education Institute is next door and I personally get jealous when I see what great facilities they are given.’ The manager went on about how he feels that employees in the Education Institute are appreciated more.”³⁶

7. Contractors

Contractors are used for a variety of purposes, for example, the Education Institute use contractors to help prospective independent school operators to adjust to the new system and the Finance Office hire external auditors to monitor independent schools. The Professional Development Office was also expected to depend heavily on external contractors but work on

³⁴ Interview with Education Head March 2009

³⁵ Interview with Evaluation Head 2009

³⁶ Researcher's Diary 11 May 2009

building local training capacity. External contracts were still very much the only source of training till 2010, when a decision was made to rely more on local institutes to provide training. A potential provider would be Qatar University since it was already involved in teacher training workshops.

Moreover, the Evaluation Institute was also expected to use external contractors for many tasks. Since test construction is a highly specialised skill; the Student Assessment Office needed outside expertise. However, institute staff supported and maintained the assessment programme in areas such as monitoring and updating. The School Evaluation Office was also given the authority to hire contractors instead of permanent staff to gather data from the schools. The Data Collection and Management Office hired large numbers of data collectors to work intensely during specific periods.

The common theme emerging from interviews regarding contractors is that not enough goes into the selection and the evaluation processes. Some managers complained that some providers are not very well established and were only recruited as a result of a recommendation from a consultant.

“I don’t mind using contractors for everything to ensure better quality; I just wish the SEC looked more into those contracts, evaluate contractors more, put some realistic conditions on them and measure their efficiency when they finish the work”³⁷

8. Finding Pioneers

The reform’s success relied largely on finding operators willing to contract with the SEC to open Independent schools. Because the market for establishing independent schools was

³⁷ Interview with SEC Manager April 12 2007

unknown, the design incorporated strategies for encouraging operators and schools to seek independent school status. Furthermore, to ensure the greatest number of qualified operators, the plan specified few restrictions on independent school operators. The selection was based on the content of an applicant's educational, financial, staffing, and facilities' plans. Eligible operators could therefore include businesses, individuals, principals of Ministry schools, teachers in private schools and Ministry of Education managers and staff. An independent school operator could run one school or a network of schools. Existing schools could apply to convert to independent school status, and new operators could apply to open a new school.

This model permitted many different kinds of schools and thus was likely to ensure a better match between student needs and schooling options than that offered by the Ministry schools. The government authority, granting the right to operate a school, could specify the kinds of operators permitted and the number of contracts issued. For example, the government might decide that it needs middle school programmes and thus choose to grant contracts under favourable conditions to operators offering such programmes. The government could also refuse contract applicants because they do not have a convincing education plan.

In 2003, when the steering committee working for the SEC started recruiting teachers for the first pilot school, Qatari reaction was hostile. The SEC assured the public that the new schools would be segregated by gender, as were the old ones, and teachers would be required to emphasise Islamic and Arab history.

“Of the more than 130 female teachers who originally volunteered for jobs 50 dropped out just before the start of the school year.” recalls Noura al-Nasf the principal at Al Bayaan Primary School for Girls which teaches Kindergarten through Third Grade.

Older teachers were reluctant to give up what many viewed as easy jobs at Ministry schools where they work short hours and have taught the same textbooks for more than 15 years. Ms. Nasf's younger sister is also a teacher, she was one of those who refused to move with her to the independent school system.

“In 2004, classes started at a handful of new schools. However, the pace of opening new schools wasn't as quick as administrators wanted, due mostly to the difficulties of attracting new teachers,” said Sabah Al-Haidoos, the Head of the Education Institute.

In 2007, the government boosted salaries at the new schools. A newly recruited teacher in the new system started earning approximately 9,000 riyals per month which is the salary of an experienced teacher in the old system. Higher test scores at the independent schools, meanwhile, helped parents who had been unconvinced about the changes, Maryam al-Naimi, Principal of the Omar bin Khattib Primary School for Boys said, “I'd say that about 70% of Qataris used to be opposed to independent schools, now we've got waiting lists every year.”

9. Conversion of Existing Schools

The implementation plan recommended that the established complex schools convert to independent school status. These schools offered an alternative education programme that in some ways conformed with the reform. It also recommended that the advisory boards act as operators. Then the independent School Office approached other Ministry schools, selected by such factors as geography, reputation, and test scores, to determine their interest in applying for Independent school status. Existing Qatari institutions (e.g., Qatar Petroleum, Qtel), new Qatari organisations, private school operators, or foreign education-management companies were also encouraged to apply. Private schools also were encouraged to apply for Independent school status. Converted private schools are reimbursed for educating those

students eligible for free government schooling. These schools could also continue to accept fee-paying students. The researcher found very few private schools that sought the independent school status; the reason for not converting was mainly the fear of the SEC putting a lot of restrictions on them regarding financial and structural matters.

10. Establishing New Schools

Operators of new Independent schools included existing Qatari institutions, new Qatari organisations, private school operators, or foreign education-management companies. The Independent School Office staff met with them to help them with the application process. Staff of the SEC provided support for completing the application, including offering sample educational, financial, staffing, and facilities plans; they also worked with existing schools to develop a transition plan.

11. Developing Guidelines for Independent Schools

The independent school guidelines had a dual purpose: They constitute the policies and procedures for operating an independent school, and they provide a structure for the application to open a school and for the school operators required end-of-year annual reports.

To maximise the potential for variety and innovation in the new schools, the guidelines were designed to give applicants a great deal of latitude in devising their school's education plan. The few requirements that applied to all schools were meant to ensure that the data needed to make sound decisions about quality would be gathered. While each applicant was expected to determine educational objectives and goals, there were no requirements that students earn certain test scores or meet specified continuation rates. However, because it needed to be clear that poor performance would have consequences, and because performance would be

judged against an applicant's plan, the guidelines urged applicants to specify measurable outcomes.

This work was carried out throughout autumn 2003, and the guidelines themselves were distributed to the operators in February 2004. The Education Institute constructed a prototype application and gathered examples from several different countries to help illustrate what the different sections of the plan should incorporate. The contract application required applicants to specify several components of an overall operational and educational plan for their school. The operational plan had to include:

- The governance structure, including management structure and a required trustee/advisory board
- A detailed academic and financial accountability plan, including how the school would collect and maintain data for evaluation purposes
- A self-evaluation plan that described actions and activities the school would follow to monitor performance and make modifications if needed
- A financial reporting system and plan that included a business plan, start-up budget, operational budget, statement of financial policies and procedures, fiscal management plan, enrolment projections and actual levels, tuition and other fees, and how any surplus would be managed and dispersed
- A contingency plan, in case of school closure
- A facilities plan, including location, building maintenance, educational equipment, business services and transportation arrangements
- cafeteria or catering, and support services

- A personnel section specifying gender of teachers and administrators, qualifications and job titles of all school employees, length of staff contracts, compensation, incentives, and professional development
- A communications and external relations plan, including strategies to involve parents and the larger community in the life of the school.

The educational plan had to include:

- A mission statement
- School grade levels, age range, and gender
- Admission standards and selection criteria
- Policies related to student behaviour
- Organisation of student learning and assessment
- Policies for grade retention and graduation
- An academic calendar
- Explanation of student support services.

Because the processes for selecting school sites and operators were separate, most of the first generation operators had to begin writing an education plan before they learned anything about the facility in which their school would operate. Once facility assignments were made, the operators were able to incorporate facilities planning into their final application. The contract for independent school operators set forth four requirements.

Schools must:

- Participate in the QSAS assessments
- Comply with all financial regulations
- Produce an annual report
- Cooperate with and participate in other institute data collection activities

The Independent School Operator Agreement (ISOA), which details the terms and conditions of the contract between the SEC and a school, was developed in coordination with Qatari lawyers under contract with the Education Institute to ensure that the contract was in accordance with Qatari laws and regulations. At the same time, the Education Institute developed the finance handbook, mentioned earlier, to inform school operator candidates of procurement and accounting procedures and specified funding mechanisms for the schools, including per-pupil operating rate (PPOR), start-up funding, and possible special grants.

12. Procedures for Starting a School

After consulting with the Education Institute, a prospective independent school operator must write an operational and implementation plan for the prospective school. The Education Institute will provide the necessary training to help operators design their schools and write their contracts. The independent school operates under a three-year contract between the school's operator and the Education Institute. The contract must be approved by the Supreme Education Council, and it specifies the school's goals, standards, educational design, governance, and operations. The contract may be renewed for an additional three years after a review of the school and its performance.

The Education Institute provides two types of school financing: the first is pre-operation finance, which is available to independent schools in their first year before the start of the academic year. This is considered as an instalment of the operational budget. The second type - the operational budget - is available to all schools and is based upon the number of students eligible for governmental support in a school. It is also designed to cover the operational expenses of schools. The Office of Finance disburses government funding to the independent

schools and monitors the use of those funds through periodic reports as well as an annual, comprehensive audit by an external auditor.

13. School Support Organisations

The new schools needed ongoing support if they were to succeed in realising the reform's ambitious vision of a modern education system. In particular, it would be critical for the leaders and teachers in the new schools to have help in becoming autonomous professionals doing substantially more demanding work than the Ministry of Education had required. The Education Institute recruited organisations with experience in charter schools and education management to support independent schools. Thirteen organisations were invited to respond to an RFQ, and five were interviewed in December 2003.

The Education Institute assigned SSOs to school-operator applicants based on the applicants' needs and the SSOs' backgrounds. Over an 18-month period, the SSOs support the operators in a number of ways, including: drafting the education plan; hiring and training administrative and instructional staff; setting up financial systems; monitoring the renovation of facilities and selecting textbooks and other instructional materials.

Excerpt from Researcher's Diary: 12/10/2009

The SSO representative I interviewed appears to have struggled with how to define its relationship with the independent school. She said, "We were seeking a partnership relationship as opposed to being seen as a company that has been contracted to impose new practices. This partnership however, does not change the fact that we are responsible for the

performance of the school.”

When I met with the operator of the school involved with this particular SSO, he complained about not getting enough support from the SSO, he said, “Those companies have their own interest and financial goals to meet. I don’t think we benefited a lot from them.” This finding conflicted with the data I obtained from the secondary girls’ school operator I interviewed last week who thought she was getting great support from the SSO assigned to her school, and wished SSO were given more time to support schools and did not leave after the first few years of starting up.

“Having just hired new staff and teachers and implemented new curricula while adjusting to new building facilities, almost all independent schools run into start-up problems. It is unfair for critics to judge such schools by their scores at this time, it is just too early. Teachers and administrators are still learning to work together. These schools need time before they show substantial academic achievement.”³⁸

14. Other Key Players

Other key players who are also instrumental in the Education for a New Era reform are listed below:

14.1 Operators

The primary role of the independent schools and their operators is to provide high-quality educational services to students and their parents. The reform promised operators considerable autonomy in fulfilling this role, but some autonomy has been lost either because

³⁸ Interview with Former SSO January 2008

of policy changes designed to promote other priorities and concerns or to policy changes designed to curb incidents of fraud. This role of providing high-quality educational services

While SEC managers interviewed expressed great concern about some operators not taking more responsibility for improving student outcomes, most operators complained about the lack of transparency and not being allowed to use the surplus funds to enhance educational programmes.

“Operators are not helping teachers enough to align classroom practices with the curriculum standards, to understand and enhance the small-group process and to develop English language skills. They are not using the SSOs efficiently. I also think the Education Institute should make sure operators are getting the best support from SSOs”

“The SEC should consider supporting greater diversity in high quality school operators by promoting partnerships between Qatari institutions, especially businesses, and the education sector. Involving these organisations in independent schools will promote variety and choice, as will the new voucher system and the Outstanding Schools initiative. As another possible way to increase diversity and quality, the SEC may want to revisit the decision to require school operators to be both Qatari nationals and principals.” RAND (2008)

Excerpt from the Researcher’s Diary April, 15 2008

The operator was described by an SEC administrator in the following way, “This gentleman is a former teacher, a bright guy, well connected... In addition to being a teacher, he obtained a master degree in education. Additionally, he brought together a very sophisticated and well-connected group, and governing council. He drew from his personal connections to compose

the board of trustees.”

In focus group meetings operators explained that the SEC, faced with the new law of granting independence to schools, gave little direction on how these schools are to be held accountable. The officials in the SEC were under tremendous pressure from the board and other external forces to check for the quality of teaching that was taking place in those schools. On the other hand, they faced pressures from independent school educators, and their advocates, who demanded freedom from many of the regulations imposed. Also during operators’ focus group meetings, the researcher heard a common criticism centring on the ambiguity of new accountability policies imposed on operators.

“Some regulations sound good on paper, the problem is the legislation does not explain the rules in details.”

“I think we are going back to business as usual, it is the same system we operated under in the old Ministry of Education, I am asked to show justifications for all items I purchase, I am no longer free to hire the teachers I want because I have to adhere to Qatarisation regulations, I can’t use the surplus and I also can’t fire a teacher without checking with the SEC”

During a visit to an independent school, an operator noted that his school is bombarded with pressures relating to the types of students they have to serve, pressures that often shape how and to what extent the school is able to regulate their environment. He observed, “This system is full with problems of finance, problems with student’s achievement, problems with hiring teachers, you name it... I don’t know which problem to address first. The other day, four schools saw the termination of their contracts; doesn’t that tell us something about the selection criteria?”

Qatar Takes Disciplinary Action against Sub-standard Schools

By Habib Toumi: gulf news.com May 13, 2010 (Internet Article)

The disciplinary action against the sub-standard schools is in line with the country's drive to ensure the best learning conditions. Qatar has closed down one school and revoked the operation licenses of four schools for failing to meet education standards, a statement from the Supreme Education Council (SEC) said, "Education Minister Saad Bin Ibrahim Al Mahmoud took the decision to shut down The Oxford English School located in the Gharafa area with effect from July 30."

The unnamed official said, "The decision is based on a report by the Private Schools Supervision Committee stating that the school did not meet the technical requirements set by SEC and the administrative requirements stated in the operational licenses."

The Supreme Education Council has also revoked the licenses of four independent school operators for 'failure to achieve satisfactory student performance results as per the agreement signed between both parties,' Qatar News Agency (QNA) said.

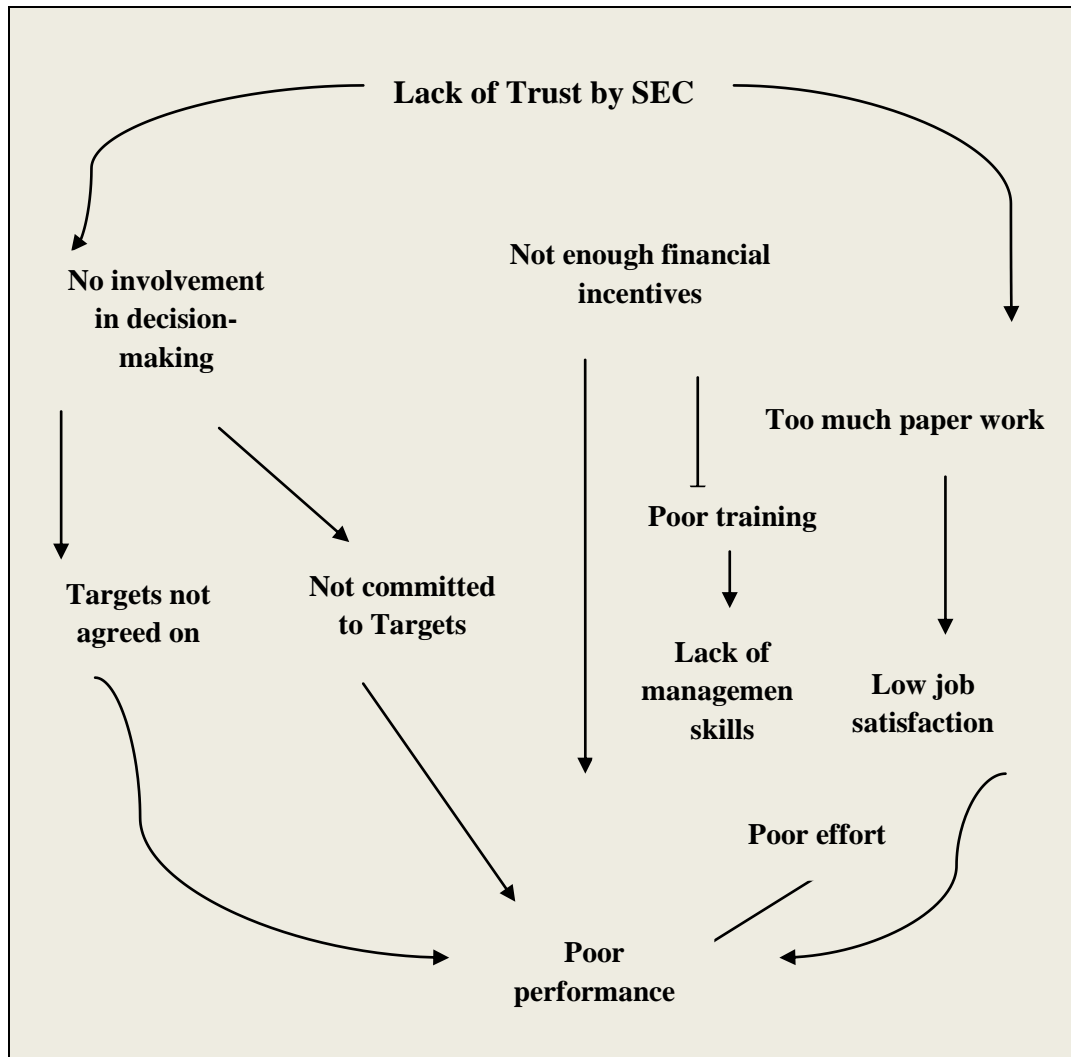
The Private Schools Office is responsible for licensing private schools, as well as nurseries and kindergartens operating in Qatar and monitoring their compliance with the standards and requirements set by SEC.

"The assessment of the schools was over a period of three years and despite cash injections and advice, they have failed to meet the standards required by the Supreme Education Council," the official said. He continued, "Three of the schools have received warnings to improve their levels, but they have unfortunately failed. We had to move to ensure that students had access to the best possible learning opportunities."

In regard to organisational structure and governance system, every operator of an independent school is required to set forth in its application the structure of its governance. The researcher found that most independent schools selected individuals for their governing

boards because of the connections, expertise, or resources these people could bring to the school.

Figure 14: An Edited Diagram from the Researcher's Diary.³⁹



Teachers in independent and public schools, on the other hand, had other issues relating to operators. While Qatari teachers had more to say in this regard, teachers from other nationalities did not criticise operators which led the researcher to think that they were more vulnerable and felt they could lose their jobs if they criticised the system.

³⁹ Original is found in Appendix

“The operator lacks managerial knowledge, the other day students were asked to go home early at ten because the canteen is not functioning. In my opinion the most problematic area is the curriculum; the people that are asked to put it together are not qualified. Independent schools care more about extracurricular activities like planting a tree and forget about content and curriculum. I think the reason behind this is that they think a lot about marketing themselves. There are of course advantages to the independent school system, it promotes creativity.”⁴⁰

14.2 Teachers

Qatar’s new independent schools were requested to rely on highly qualified staff and classroom leaders who possess a deep understanding of subject matter, employ proven contemporary techniques in their teaching, and can motivate students to perform to their highest potential. Each independent school has the freedom to hire its own teaching staff. Professional development opportunities and teacher training is provided to independent school teachers by the Education Institute and some independent schools run their own professional development programmes as well.

The Education Institute signed agreements with Qatar University to provide teacher-training programmes as mentioned earlier, aimed at enhancing the performances of independent school teachers’ capabilities and professionalism. The programme is implemented by the Faculty of Education at Qatar University and funded by the Supreme Education Council.

The Qatar Office of Registration, Licensing and Accreditation (QORLA) is charged with the responsibility of enhancing and supporting teachers. The three-year registration process spans three levels with issuance of a certificate in each level being based on the level of proficiency

⁴⁰ Interview with a Qatari independent school teacher April 2008

of a teacher or leader. So far, QORLA has received about 1449 registration forms and the number is rose up to 3400 by the end of 2009.

“The process of registering and certifying teachers and leaders provides a system to monitor and assess their quality. This means that there are changes with regard to the hiring of teachers and leaders to work in the independent school.”⁴¹

The reform success also depended on qualified teachers delivering materials compatible with the curriculum standards. Most independent school teachers interviewed felt they need more help in improving their teaching skills and grasping the principles of the reform.

“I need help in learning how to use information and communications technology resources in more innovative ways. I am not fluent in English however, it is the language of instruction for both mathematics and science and I am required to teach in English.”⁴²

At the end of academic year 2006–2007, the independent schools were directed to spend surplus funds on English instruction for teachers. As a result, nearly 1,000 Qatari teachers had the opportunity to spend time in an English-speaking country. However, in 2009 new regulations limited the use of surplus for such programmes

Many challenges hinder the recruitment of qualified Qatari teachers. The SEC conducted a comprehensive assessment aimed at identifying the barriers and articulating clear strategies for overcoming them. The challenges have been addressed in part by raising the status of teaching in general as well as involving the SEC in the recruitment process. Other

⁴¹ Head of Evaluation Institute, Adel Al Sayed, in a media interview

⁴² Interview with Independent school teacher September 2007

adjustments were also made to address job security and retirement benefits for Qatari teachers. The strategy included ways to encourage teachers to join independent schools.

In the independent schools observed, while some hired teachers with adequate experience others blamed low pay on the poor quality of their teaching staff. Efforts to establish standards for hiring teachers still falls short as unqualified teachers are still being hired in some independent schools.

“The ineffectiveness, on average, of independent schools maybe due to these schools having hired below-average teachers; although of course some have recruited some above-average teachers.”⁴³

At another independent school, the principal explained that although the school encourages certification, it is not required. He stated, “if we have a bachelor who’s an expert in chemistry and that teacher proves that he can teach students well, we will hire him whether he is certified or not”

In an interview with a member of a SSO member of staff, she asserted that independent schools, because they are free from bureaucratic and regulatory management, can recruit teachers with community needs and educational excellence in mind. She also said that teachers in Independent schools are there because they want more authority over the programmes and approaches they use than they did in Ministry schools.

Almost all independent school teachers mentioned the small classes as an advantage over the old system.

“It is so different from public schools, I really like the small size; we don’t have packed classrooms. So it’s more intimate. I know all the kids by name; I know what are their interests and hobbies.”⁴⁴

⁴³ Interview with SEC manager May 12 2009

14.3 Parents

The reform's primary roles for parents are to make informed choices about where to send their child to school, to pressure school administrators and staff to provide a high-quality education, and to directly support their child's learning. With the opening of independent schools, parents had numerous educational alternatives available to them over time and were able to select the school best suited to the needs and interests of each of their children. While the schools preserved local values, culture and beliefs, they were expected to hold to rigorous curriculum standards based on international benchmarks in Arabic, English, mathematics and science.

Parents interviewed by the researcher had mixed feelings about the reform. Most of the satisfaction factors with the new system centred on the physical facilities and the quality of English taught in independent schools while most of the criticism centred on the quality of teaching.

“I went to a public school and I feel that I got a great education, I don't think that it should be any different. I expect my children to be schooled well. I can afford to take them to a private school, but I feel my government should provide me with the education of my choice for my children. These agencies they recruit have different cultures and private agendas. I feel not enough monitoring is going on.”⁴⁵

“My son really enjoys the experience, the building of the school is amazing and his English got so much better, I still feel they can concentrate more on the quality of teaching, teachers are sometimes unqualified to teach the subject matter.”⁴⁶

⁴⁴ Interview with teacher of independent school June 3 2009

⁴⁵ Interview with a parent of a student studying in a public school May 12 2008

⁴⁶ Interview with a parent of a student studying in an independent school June 3 2009

During focus group meetings, parents also expressed their satisfaction with the diversity of activities offered by independent schools, they stated that the new system encouraged innovation and research. However, they thought that the SEC should have involved parents more in the decision-making stage of the reform. Some felt their opinions and complaints were not being considered. The researcher noted that most of the parents were talking to the researcher in hope that their views will be used as recommendations to other SEC board members. At times, the researcher had to switch roles and answer some of the parents' queries in the researcher's capacity as a SEC board member.

14.4 Students

Students are at the centre of the independent school education process and the original reform design expected that incentives for good operator performance would lead operators to develop incentives for students to perform well. Indeed, some operators have done that. But there have been continuing concerns about student motivation which led the SEC to revise the testing system so that there are consequences for individual students not doing well in the tests. In 2010, to improve test results, the SEC announced that there will no longer be a zero-fail policy in independent schools and that national tests prepared by the SEC will be the basis for success or failure in schools. Operators and teachers aired their concern in the media

“Not all teachers covered the curriculum for their subject matter. This regulation means that our children will fail in the tests. Why didn't the SEC monitor the teaching in schools and not wait so long before introducing such a regulation. In Math my son's teacher only covered one quarter of the book assigned. In Arabic my son only brought home two papers.”⁴⁷

⁴⁷ Interview with a parent of a student studying in an independent school June 3 2009

“My daughter said that all the questions in chemistry were on topics not covered in class. I am sure she will fail this subject”⁴⁸

Also below average students’ results made the SEC terminate the contract of some schools in 2010. Subsequently, an operator resigned from all the schools he was operating after the license of one of his schools was terminated.

“My school was the school the SEC picked when Her Highness Sheikha Mozah bint Nasser Al Misnad wanted to visit an independent school. If the SEC thinks I am doing such a bad job why did they pick my school?” (Al Raya Newspaper, May 22 2010)

In several of the focus group meetings participants were also concerned that some independent schools were not expelling students who behaved or performed poorly because the schools’ operators wanted to continue to collect the per-pupil allocation. They thought that SEC should include in its contracts with independent schools clear policies on attendance and performance expectations.

14.5 Board of Trustees

The process for selecting the board of trustees differs from one school to another. The Supreme Education Council has set the organisational framework of the election while the school operator supervises the management of the election. Rand suggested that the primary work of the board should involve five major areas: planning, policymaking, monitoring, communicating, and advocating.

Planning:

The board should work with the operator by advising on the strategic direction and a strategic plan for the school. As well as advise on the annual budget plan that is aligned with the

⁴⁸ Interview with a parent of a student studying in an independent school June 3 2009

school's priority goals and student learning objectives, as described in the strategic plan. The Board of Trustees should also advise on the professional development plans for staff.

Policymaking

The board should establish and regularly review policies that define the Board's own structure, rules of procedures, communication and decision-making processes, code of conduct and other policies that pertain to the governance function; The Board of Trustees should offer advice to the operator on the policies of the school.

Monitoring

The board should work in collaboration with the operator to establish objective criteria for assessing the performance of the operator in managing school operations and the conduct of regular performance reviews. It should advise the operator on objective criteria for the monitoring process towards school priority goals; advise on fiscal oversight by routinely reviewing reports on income and expenditures, audits and financial planning documents.

Communicating

The board should establish procedures for public and staff input into board advice and develop a professional relationship with the school operator and the public. It should advise on the school's complaints procedure and also offer Advice on how to establish and monitor procedures for regular reporting of progress to the public.

Advocating

The board should serve as a public advocate for the school and maintain communication with other policymakers in regard to public policies that impact education and children. The Board should also encourage qualified citizens to run for election for the School Board.

The board comprises parents of students attending the independent school or people who have an interest in the school or members who have specific skills like finance, law, education and governance.

A great percentage of the parents interviewed stated that the Board of Trustees' role is confined only in fulfilling the requirements of the SEC, however, some expressed that they were involved in the communication and advocating roles, few said that they were involved in the policy-making or planning role. This suggests that the independent schools operators need a firmer grasp on the principles behind introducing the Board of Trustees.

“I am a Board member and I am very pleased with the school, I wouldn't want my son to go to any other school. However, to tell you the truth, I don't really do much, they ask me sometimes to come and say a speech in an event; I am not involved in the policy-making process. I don't think I want to be. They are doing a good job”⁴⁹

“I asked the school if I could join the Board, I am educator myself, I am not sure how this election thing works. Perhaps if I am on the Board I could influence the operator and make some policy changes. There are many things that are needed to get this school going in the right direction”⁵⁰

While some board members in some independent schools were drawn from people well versed in education, business and academia, other schools were less selective in formulating their boards.

⁴⁹ Parent focus group meeting January 14, 2008

⁵⁰ Parent focus group meeting January 14, 2008

15. Contract Guidelines

Independent schools are run by any qualified party willing and able to enter into a contract with the government to provide schooling. The essential features of the contract would be as follows:

- Detail the educational and financial plan of the school.
- Provide for government oversight of the school, significantly less regulation than exists in traditional public schools.
- Pay the operator the expenses of running the school and offer the possibility of earning a margin or profit above costs. The right to operate a school under contract could be granted, and could be taken away, by the SEC.

The rules under which independent schools operated is referred to as ‘contract guidelines’, similar to the rules of any business contract that lays out each party’s obligations. Guidelines detail the conditions under which an independent school provides schooling and requires that the operator submit an application covering several components, including school mission, education plan, personnel plan, and budget.

“I didn’t have a problem applying for the operator status. The contract guidelines provided by the SEC served as a template, I worked with a team of five; we are all educators.”⁵¹

Contracts are granted for a finite period. They can be revoked for non-adherence to their rules and can be renewed if the contract-granting authority deems that the school operator performance justified continuance. Since a goal of this reform is to maximise school

⁵¹ Operator interview September 3, 2008

autonomy and variety, the guidelines are written to allow school operators and staff to make many decisions about admissions, pedagogy, and staffing. The guidelines also include some conditions to which all schools are expected to adhere, such as student testing and provision of data for evaluation. In addition, all schools are contractually obligated to conduct self-assessments and to provide annual reports on the findings of those assessments. Contract guidelines are updated regularly to allow the SEC to observe that the right controls are in place while still allowing a degree of freedom and flexibility.

“My contract was revoked, they say my academic results are not good, well, I am not sure what criteria they base their judgement on. When you are asked to accept low achievers, you cannot be compared to another school that accepts only high achievers. If you compare my results to last year’s, student achievement has risen by 20%; however, I am still below average.”⁵²

An Excerpt from the Researcher’s Diary: Interview with Operator who Lost his License (18/2/2009)

Coming into my office the operator was quite nervous, he said he has an appointment in 30 minutes but ended up spending an hour in my office. It is clear he felt relieved after sharing some information with me.

“I was not given enough guidance as to what is permissible and what is not. Moreover all operators did exactly what I did; they were just not caught. ... I feel if it is a business model, I should be allowed to keep the surplus. To tell you the truth, there are still not enough controls on operators. I think I was only found out (not that I did anything wrong) because someone, out of envy, spoke to the SEC about the money I used from the surplus to maintain the school. All my other practices were immaculate.”

⁵² Operator interview May 14, 2008

“I feel they treated us like criminals, I could not buy a fax machine over QR 300. I wanted to buy a good quality one, but had to settle for the cheap one that will probably break down in a month.”⁵³

In focus group meetings some operators thought that there were ambiguous clauses in the contract. However, almost all operators thought that the contract guidelines were very helpful in assisting them fill in the application form.

16. Financing

Students eligible for government funding continued to be eligible in the new, independent school system, and the government paid the costs of their schooling directly to school operators. The government also allowed independent schools to accept additional students that are not eligible for government funding on a tuition paying basis. The funding mechanism for independent schools is quite transparent, and generates a reasonable margin of profit for school operators but was set to rule out excessive profits. Funding mechanisms recognise real cost differences based on individual student needs.

In the early stages of the reform, acts of fraud surfaced and two licenses were revoked on the basis of financial fraud, the researcher met with two operators who lost their licenses due to financial issues. The first admitted that he misrepresented some expenses, while the second operator, claimed that he was merely keeping the money to use on school maintenance and buying new equipment for the school.

⁵³ Operator interview September 22, 2007

17. Expenditures on the Reform

Comparing the budget of both the SEC and the Ministry of education, it is important to note that expenditures on the reform were accompanied by savings within the Ministry of Education system because all independent schools were converted from Ministry schools. Therefore, from the point of view of the entire Qatar education system, reform expenditures did not result in added overall costs. In fact, the budget for 2010 and 2011 proved that the reform has also a cost-cutting advantage.⁵⁴

Data on total expenditures in the Ministry are published annually in its Annual Statistics Report. Before the K–12 reform was announced in 2002, the Ministry reported total spending of 1.61 billion QR on K–12 education (nominal QR), which corresponds to 22,249 QR on a per-pupil basis, for the 2001–2002 school year (Ministry of Education, 2005). After the reform was established, it became difficult to rely on reports of total Ministry spending, because certain reform expenditures related to independent school staffing were carried along in the reported Ministry totals. The researcher was unable to distinguish these expenditures from others within the Ministry reports and thus cannot provide a side-by-side comparison of Ministry and reform-related spending.

During the planning phase, expenditures on the reform totalled around QR 144 million with approximately 80% on external contracts. Contracts accounted for a large share of expenditures in this phase, as contractors were brought in to provide expertise not available in Qatar at the time. Contractors were initially responsible for developing the infrastructure for the reform, developing curriculum standards and national assessments), hiring and training

⁵⁴ The researcher is unable to disclose figures from the budget for confidentiality reasons

local staff to eventually manage the reform and reporting on progress to the SEC. As the infrastructure grew and independent schools were brought into operation, the share of the reform budget devoted to contractors diminished.

Contracts were issued to various organisations for different purposes. In the planning phase, the two largest contractors were the National Opinion Research Centre – tasked with designing and implementing the Qatar National Education Database System (QNEDS) and RAND Corporation, tasked with overseeing the implementation of the Qatar K–12 reform design. Each contractor received more than QR 5 million between April 2003 and March 2004, although the actual amounts are difficult to specify from the documentation.

As schools came into operation, contractors were brought in to help train school administrators and teachers. These organisations, referred to as School Support Organisations (SSO), were Mosaica, Multiserve, and the Centre for British Teachers. In addition to these organisations, other contractors, such as the German Technical Cooperation, the Academy for Educational Development, the Queensland government, Arab Educational Services, and the College of the North Atlantic, were hired to supplement the activities of the other contractors and help with training and the development of national standards and curricula.

RAND estimate of SSO support amounted to approximately QR 44 million to the first cohort of 12 independent Schools and approximately QR 54 million to the second cohort of 21 schools from February 2004 to July 2006. Total spending during the start-up and first year of independent school operation amounted to around QR 526 million. During this phase, funding for the institutes that make up the administrative infrastructure of the reform represented approximately 7% of total spending, and assets procurement represented 4

percent. The greatest share of spending, at just over half, remained on contracts, but funding to independent schools made up a significant portion, at 37%. Funding to the schools included start-up funds and funds designated for operational expenditures but not the in-kind support in the form of SSOs or other types of professional development that were instead funded through contracts (RAND 2008).

The third phase included the second year of operation for the first group of independent schools and the establishment of the second group. In this phase, total spending grew to approximately QR 841 million. Spending on independent schools as a share of total spending increased from about 37 to about 48%. Although the share of total spending devoted to asset procurement remained the same, the share devoted to institute operations increased slightly, from 7 to 9%. The share of spending on external contracts continued to decline, which was expected as the oversight institutions and independent schools developed the capacity to manage their own operations. Contracts remained a significant share of the budget, however, at 39%. In 2009 further cuts were made to spending on external contracts.

Funding flows from the Education Institute directly to independent schools and comprises three broad categories of support: start-up funds designed to cover preoperational expenses; per-pupil allotments based on enrolments; and grants to fund special projects or cover unusual needs. In addition, schools can earn small amounts of miscellaneous income on their own.

18. Per-Pupil Allotments Start-Up Funds

When the reform started Start-Up Funds were offered only to schools that were in the first year of operation and covered expenses from the day the contract was signed to the day the school opened for the beginning of the academic year. Start-up Funds have typically covered

such expenditures as professional development and training, recruitment of teachers and students, consultation fees and library development. Start-up Funds do not cover capital expenditures or procurements provided directly by the Education Institute, such as laboratories, furniture, and computers. In 2004–2005, the amount of Start-up Funds differed, depending on the amounts requested by each school. In 2005–2006, however, the Education Institute capped the amount at QR 500,000. As of the 2006–2007 school year, the Education Institute halted the practice of offering Start-up Funds altogether. Instead, start-up funds are now provided as an advance on the per-pupil allotment given to schools, rather than as a separate source of revenue for the school.

Per-pupil allotments are disbursed quarterly and designed to cover operational expenses based on enrolment levels. The amount given to schools depends on the school's level of students with special needs qualifying for 20 percent augmentation of the per-pupil allotment. Per-pupil allotments are QR 16,000 for primary, QR 19,400 for preparatory, and QR 21,800 for secondary schools.

Most of the stakeholders interviewed agreed that the per-pupil allotments are fair, a few complained that the allotments did not change to cope with the inflation in prices.

“Yes, the allotments did not change but they were set very high and now after a few years they still seem reasonable”⁵⁵

19. Grants

In 2004–2005, schools were offered the opportunity to apply for grants to cover any non-operational expenses necessary to encourage creativity and innovation in designing a school. Grants covered major projects, such as special technological equipment, computer software,

⁵⁵ SEC manager interview March 13 2008

language programs, text books, special needs, and other activities not included in the operational budget. Grants were discontinued in 2005–2006.

20. Surpluses

Surpluses differed widely across schools. The researcher can speculate on several possible reasons for the accumulation of surpluses. First, in some schools a climate of uncertainty surrounding fiscal policies existed. Second, new independent schools may have lacked the expertise to address spending decisions. Third, some operators thought they could use the surplus to address other school needs. Interviews with Education Institute officials indicated that they perceived operators as lacking in experience and encouraged operators to be less hesitant in spending the school's budget. Fourth, the system provided an incentive for operators to produce surpluses, as independent schools were set up as for-profit organisations. Lastly, the requirement that all expenses were to be approved by the Finance Office may have led to under-spending.

21. Staff Expenditures

Among operating expenditure categories, staffing expenditures such as salaries and wages, retirement and health benefits, end of service benefits, bonuses, and rewards represented the largest share. The percentage of total expenditures devoted to staffing was 80 and 81%, for the first and second year of operation of Generation I, respectively, and 84% for Generation II. The teacher category is the largest staff group at independent schools. With the increase from 12 independent schools in 2004–2005 to 46 in 2006–2007, the total number of staff more than tripled over the three-year period.

Vice principals earned slightly less than operators/principals; and although each independent school may have had its own administrative structure, one vice principal typically oversaw administrative affairs, whereas the other oversaw academic affairs. Subject heads earned more than teachers in independent schools. They reported directly to the operator on matters related to academic planning in the subject in which they specialised and often coordinated professional development programmes for teachers.

22. Monitoring Policies

The Evaluation process and periodical review of independent schools are deemed important in identifying schools' achievements and strengths as well as areas which may require attention and improvement following their inception three years ago. The evaluation and review processes are based on international practices and utilise international standards in evaluating the independent schools' progress towards goals and their achievements, particularly as related to the goals of the reform.

The results from the reviews are also expected to allow decision-makers to better understand the strengths and weaknesses of the reform, and point out areas that need improvement and further development.

The TSRs are a key element of the overall evaluation framework, which also includes on-going school monitoring, school self-review, specially commissioned reviews and annual school report cards. The evaluation framework is designed to four fundamental principles of the reform: it recognises school autonomy; reflects school variety and individuality; provides a basis to guide informed choice about schools whilst aiming at ensuring accountability of schools.

Triennial reviews focus on selected areas of school functioning and performance such as leadership and management, teaching and learning, standards and achievements, curriculum and learning environment, staff deployment and development and the relationship between parents, community and the school. There are twenty specific areas of a school's functioning that could be addressed across the reviews.

Each school evaluation is individually and strategically tailored to cover five to seven of these areas. In undertaking TSRs, student academic outcomes are evaluated in all schools; three or four other specially selected key areas of school functioning are evaluated for each school, and one or two areas of specific importance and relevance to the individual school concerned are also evaluated.

The Triennial School Review (so named because it is undertaken on a three-yearly cycle) has been specially designed to reflect the Qatar education context by using internationally respected protocols for accessing, assessing and reporting data. TSRs are undertaken by experienced and trained school evaluation officers. In broad terms the main sources of data for the reviews are school records, reports and documents, interviews with parents, teachers, principals and administrators, classroom visits and observation and student assessment data from the school itself as well as the Qatar Comprehensive Education Assessment.

Whilst the interview and focus group meetings revealed a satisfaction with the Triennial School Review, little was done to raise awareness of its importance in the decision-making process. Also some teachers questioned its credibility.

“Some of the students fill in the parents’ questionnaires themselves. Also some of the questions allow for more than one answer and observations are too short to allow a clear picture of the school”⁵⁶

⁵⁶ Independent school teacher interview May 12, 2008

23. External Academic Assessment

To help decision- makers assess the reform, several external academic assessments are used.

Programme for International Student Assessment (PISA)

PISA is an international comparative study in which approximately 55 countries participate to assess how well students at age 15 are performing. PISA combines the assessment of three domain-specific areas such as: reading, mathematical and scientific literacy.

Besides the reading tests, questionnaire data from schools, students and parents are collected and analysed. This background information is intended to identify factors or a combination of factors that are associated with high levels of reading, mathematical and scientific literacy.

Qatar uses PISA to test the efficiency of the new privatised model. The analysis of student performance in PISA informs Qatar about proficiency in reading, mathematical and scientific literacy of 15 year old Qatari students in comparison with countries worldwide. PISA also represents a baseline from which Qatar can track its progress in reading, mathematical and scientific literacy of 15 year old Qatari students over time. PISA furthermore, complements results from the QCEA in the subject matters Arabic, mathematics and science. PISA is carried out by a consortium headed by the Organisation for Economic Cooperation and Development (OECD); in cooperation with national research institutions and governmental research agencies.

Trends in International Mathematics and Science Study (TIMSS)

TIMSS is a curriculum based international comparative study in which over 60 countries participate to assess 4th and 8th grade students' mathematics and science knowledge and

skills. With the assessment of these two grades, aspects of growth in mathematics and science knowledge and skills from fourth grade to eighth grade can be identified.

The objective of the study is to provide countries with international comparative data as well as with national trend data on mathematics and science knowledge and skills of fourth and eighth grade students. The design of the TIMSS study focuses mainly on providing results at the system level; it is not intended to report individual student scores.

To inform educational policy in the participating countries, TIMSS also routinely collects extensive background information that addresses concerns about the quantity, quality, and content of instruction. The tests together with the applied questionnaires enable the understanding of the context in which students learn best. Thus, TIMSS enables international comparisons among the key variables in curriculum, instruction and resources that result in higher levels of student achievement.

The analysis of student performance in TIMSS informs Qatar about the present mathematics and science abilities of Qatari students in fourth and eighth grade in comparison to countries worldwide. It also represents a baseline from which the country can track its progress in fourth and eighth grade mathematics and science performance over time. The Qatari educational reform is expected to lift up students' performance in the next 4 years. Thus, the comparison of 2007 and 2011 cycles of TIMSS will present Qatar with an external validation of the impact of its educational reform efforts upon mathematics and science knowledge and skills in Grade 4 and 8 students, in addition to the internal QCEA.

Moreover, as TIMSS is conducted every 4 years, the group of students that will participate in TIMSS 2007 in fourth grade will also participate in TIMSS 2011 in eighth grade. Thus, it is possible to track the progress of this group of students from Grade 4 to Grade 8 and compare

the progress they make compared with the progress that students all over the world have made in this four-year time span.

Questionnaire data are used to analyse instructional practices and home and school environments that are connected to high student achievement in mathematics and science. This information is intended to inform policy makers about best practices and can help them take decisions about adjusting policies.

TIMSS is used to complement results from the QCEA in the subject matters mathematics and science. TIMSS, due to its international comparative focus, is expected to offer deeper insights in the mathematics and science performances of Qatari students in fourth and eighth grade.

TIMSS is organised by the International Association for the Evaluation of Educational Achievement IEA, which is an independent international cooperative, comprising national research institutions and governmental research agencies, of which Qatar is a member.

Progress in International Reading Literacy Study (PIRLS)

PIRLS is an international comparative study in which approximately 40 countries participate to assess fourth grade students' reading ability in their native language. This grade level was chosen for PIRLS, as it is an important transition point in children's development as readers.

PIRLS is based on a comprehensive framework that calls for students to be able to demonstrate their understanding of a wide variety of texts. PIRLS also places a strong emphasis on critical analysis, not only a repetition of learned or read facts.

The objective of PIRLS is to provide countries with international comparative data as well as with national trend data on reading literacy of fourth grade students. The design of the PIRLS study focuses mainly on providing results at the system level; it is not intended to report individual student scores. Besides the reading tests, questionnaire data from school principals, teachers, students and parents are collected and analysed. This background information is intended for identifying factors or a combination of factors that are associated with high levels of reading literacy.

The analysis of independent student performance in PIRLS informs Qatar about the present reading abilities of Qatari students in fourth grade. PIRLS also provides comparative results of the position of Qatari students in comparison to those in other countries.

Qatar's participation in PIRLS furthermore, represents a baseline from which the country can track its progress in fourth grade reading performance over time. The Qatari educational reform is expected to lift up student performances in the next 5 years. Thus, the comparison of 2006 and 2011 cycles of PIRLS will also present Qatar with an external validation of the impact of its educational reform efforts upon reading comprehension in fourth grade students, in addition to the internal test QCEA.

Together with the questionnaire data, PIRLS helps the SEC identify factors that are related to literacy acquisition, like instructional practices, school resources and encouragement of reading by the family.

PIRLS complements results from the QCEA in Arabic as a subject matter. PIRLS, due to its very specific focus on reading and understanding longer text passages, can offer deeper insights in reading literacy performance of Qatari primary students than annual tests in Arabic as a subject matter.

PIRLS is organised by the International Association for the Evaluation of Educational Achievement (IEA), which is an independent international cooperative comprising national research institutions and governmental research agencies of which Qatar is a member.

As mentioned earlier in the chapter, international assessments did not conform fully with internal test results. Students in Ministry schools out-performed independent school students in some subjects. In an attempt to Explain this inconsistency, RAND suggested that students in independent schools are still adjusting to the system and it is too early to see results.

“Students are not very serious about the international exams hence they don’t try very hard to answer the questions. They know it does not affect their overall school’s results. Also the fact that we have a zero-fail policy in independent schools is also an obstacle, they know they will pass whether they studied or not. I think this is one of the reasons for low achievement levels in independent schools. Another reason why I think we have not reaped great results from the independent school scheme is that the teachers themselves are not fluent in English and therefore cannot teach subjects in English efficiently. Lastly, the curriculum standards are international and students will not be able to reach them even in 5 years; we have to be realistic.”⁵⁷

Educator Magazine (Article 2008)

Independent Schools have been gaining the technology that enables teachers and students to turn personal visions into innovative projects, providing real benchmarks for Qatar’s place in a global economy.

Transparency - a reform priority - was evidenced in 2006 by successful public discussions titled: “Let us Communicate for a Brighter Future.”

The Education Institute has, among other projects, been implementing one of the reform’s main goals in a pilot trial aimed at making education available to all students including those with individual needs or learning difficulties. About 14,500 Qatari students participated in

⁵⁷ Independent teachers focus group April 2008

international studies (PISA and PIRLS) organised as one of the Evaluation Institute's projects. The Higher Education Institute ensures that Qatar's scholarships are available for only the world's best universities.

24. External Financial Monitoring

All independent schools are subject to External Monitoring and have to abide by the following regulations:

Schools must maintain an accurate record of all financial transactions in accordance with internationally accepted accounting principles, and be audited annually by an independent certified accounting firm hired by the Finance Office. Schools are also expected to respond in writing to any concerns raised by the audit, including an action plan for resolving outstanding issues, to be submitted to the Finance Office along with the audit

25. Regulatory Financial Monitoring

The Finance Office periodically requests reports from schools and conducts site visits in order to assess financial performance during the school year. To the extent possible, data is collected in electronic form for incorporation into the Finance Office computerised system. The Finance Office recommends particular accounting software to be used and it must have access to the data. The following are some of the regulatory reports reviewed continuously and could be adjusted by the Finance Office. Staffing levels by grade report is an example of the regulatory reports reviewed continuously and could be adjusted by the Finance Office.

Financial Policies and Procedures Manual:

The Financial Policies and Procedures Manual details the financial management of the school, to identify who has authority over the school's finances, internal controls, accounting practices, and purchasing practices. It requires knowledge of educational finance and standard financial procedures; therefore it is much more detailed than the financial management overview provided in the independent school's application.

Actual Enrolment:

This is collected quarterly in order to adjust per-pupil revenue to the school. The data include student identifiers (for enrolment verification), citizenship and entitlement status (for determining tuition status).

Actual Staffing:

Schools will report staffing levels quarterly.

Statement of Cash Flow:

The report describes the inflows and outflows of funds.

Annual Statement of Functional Expenses:

This report divides expenses by category, allowing the Finance Office to analyse the fraction of expenditures going to various categories (instructional, administration, etc.) for research purposes.

Annual Report:

The financial component of the school's annual report to the Education Institute should include a financial statement of revenues and expenditures for the year just ended, a balance sheet listing the charter school's assets, liabilities, and fund balances or equities, and a copy of the school's approved budget for the up-coming school year.

Site Visits:

In addition to the required reporting, the Finance Office may conduct site visits to evaluate fiscal procedures and performance. Finance Office staff meets with the school governing body (Operator, Board of Trustees, Financial Officer, etc.) and financial staff, with an eye toward whether the school has an effective governance structure and administrative organisation for carrying out fiscal management in keeping with the mission of the school. Financial records are also examined to confirm their accuracy and completeness.

Fiscal noncompliance:

The Finance Office enforces its regulations and reporting requirements through a system of warnings and penalties. The first step in any infraction is to formally notify the school that it is out of compliance. How much time the school is given to respond and subsequent actions on the part of the Finance Office depends on the matter at hand. In most cases, such as late reports, a first warning for a missed report deadline requires the provision of the report within two weeks. A second warning requires an in-person meeting with the Finance Office. A third and final warning is usually accompanied by notification that an on-site inspection will be scheduled and a percent of funding will be withheld as a sanction. For more substantive problems, such as financial mismanagement, schools will have to submit a corrective action plan within 45 days of formal notification. Failure to do so will put more funding at risk and raise questions about whether the independent school contract should be revoked.

Sample Reports:

The regulatory reports and statements are based on models developed by the Finance Office as well as international accounting procedures to ensure consistent reporting across schools and comparability of data for analysis purposes. A Chart of Accounts, developed by the Finance Office, establishes standard categories and codes for tracking.

26. Internal Financial Monitoring

Each school must devise an internal monitoring system as part of its overall management strategy to ensure sound fiscal operation. Accurate and timely information helps schools safeguard its assets, plan for its future, and meet its legal and regulatory requirements.

A sound financial management system includes:

- A comprehensive set of policies and procedures regarding financial matters;
- A budget development calendar and budget monitoring system;
- A computer-based accounting system with a chart of accounts;
- A system (or contract) for payroll services and banking arrangements.

The Finance Office also reviews and approves, but does not develop each school's internal monitoring policies and procedures.

Financial Policies and Procedures Manual:

- Schools are required, between the times the independent school is approved and the day school starts to formulate Financial Policies and a Procedures Manual. The manual is a one-time submission by the school, but must be updated as necessary to ensure that policies and procedures are up-to-date. Review of these internal controls will be part of the annual review by the independent audit firm.

- The Financial Policies and Procedures Manual details the financial management of the school, to identify who has authority over the school's finances, internal controls, accounting practices, and purchasing practices.
- The manual submitted by each school does not need to be especially formal, but it should specify who is responsible for various tasks. It should also describe policies and procedures regarding cash receipts; cash disbursements; petty cash; payroll; grants; gifts and bequests; transferring money between funds; the procurement and disposal of fixed assets; invoicing; purchasing; preparation of the budget; establishing and maintaining insurance coverage; and ensuring adherence to Qatari fiscal laws and regulations. No one person should be responsible for all aspects of a transaction; the person who requests a cash transfer for textbooks, for example, should not also be the person who approves the transaction. Similarly, the manual should outline how records will be maintained in an accurate and up-to-date manner, and contain adequate documentation of the justification and authorisation for the transaction.
- Responsibility for generating and approving various reports should also be established, from the monthly budget analyses to annual reports. Effective management requires that there be at least one person in the school, whether the operator, an executive director, finance officer, or other individual, who monitors these reports, understands their contents and can act upon them. For example, on a monthly basis, schools should generate and analyse reports on their trial balance (ensuring debits balance credits in double-entry bookkeeping), on actual revenues and expenditures compared to budgeted amounts, on billing invoices to funding sources (if the school receives a grant from the Education Institute), and update cash flow projections.

- Budgets should be developed in enough detail to be compared with revenue and expenditures, and a formal process for amending budgets should be established.

Although this research revealed that major internal controls are found in the internal control system of the SEC, the effectiveness of the controls was at times lacking. The researcher used COSO framework to check for weaknesses in the internal control system. Meeting with chief auditors from different departments, the researcher formulated an insight into the deficiencies found in the system that were not detected by traditional auditing approaches.

An Edited Interview with an Auditor in the Education Institute, May 12, 2008

How are the per-pupil funding revenues distributed to independent schools?

Independent schools receive quarterly distributions of the per-pupil funding. Quarterly payments is based on enrolment levels. The school's first quarterly distribution is made based on projected enrolment. Subsequent quarterly payments are adjusted and distributed based on actual enrolment levels.

Can independent schools charge tuition for non-Qatari students?

Independent schools may charge tuition for enrolled students who do not qualify for government per pupil funding, such as non-citizens; the amount should be a minimum of 50% of the per pupil allotment.

What financial information is needed to apply for a school contract?

The financial component of the independent school application requires that potential operators submit a start-up budget, three-year operating budget projection with accompanying budget narrative, enrolment projections, staffing plan, and a financial

management plan.

Does the Finance Office offer assistance for financial planning?

The Finance Office offers several forms of assistance with Financial Planning. The Finance Office holds meetings and classes for qualified applicants to introduce them to educational finance. The Finance Office also provides instructional material and sample forms.

Are independent schools subject to financial monitoring?

Independent schools are required to submit to an annual financial audit by an independent audit firm hired by the Finance Office. In addition, independent schools are required to submit periodic financial statements and reports to the Finance Office. The Finance Office also requires that schools maintain sound internal monitoring procedures.

Meeting with a few operators that had their licences revoked, the researchers identified the following themes:

- Lack of accountability
- Not enough supervision
- Not enough monetary incentives
- No clear guidance about what is permissible

In focus group meetings with operators of independent schools, while some thought that fraud was common practice in the new system, most of the current operators thought that the SEC tried very hard to support weak operators and only resorted to revoking their licenses if they did not comply with regulations. “We are aware of just a few examples of closures due to academic results of students and fewer due to financial fraud,” explained an SEC manager.

In the third term of the academic year 2009-2010, the license of Al Resala Independent School was terminated; media and the public in general aired their concerns. The operator of Al Resala Independent School had won some awards, including an international one, for best educator. The students also won a national award for best research organised by the ‘Human Rights Committee’. A few weeks after the news about Al Resala School came out, the Minister of Education invited the media and Al Resala students for a meeting and took a photo with them to reassure the public that Al Resala is still operating as an independent school, however, it was not clear if the decision to grant the license to a different operator was reversed due to the reaction from the media and the public.

“I feel we are not business people, we cannot deal with thousands and thousands of Riyals. I know the operator manages to work with the financial officer but sometimes, he fails to understand the numbers and signs papers without questioning the additional costs incurred. I work in the administration part but I admit that I have no experience in working with budgets. The SEC has to understand that if we mess up, it is because we are educators and this is a business model. The SEC should not revoke contracts but help operators overcome obstacles, after all, this model is unique and we need time to adjust.”⁵⁸

27. Ministry versus Independent Schools

The researcher found clear differences between independent and Ministry Schools. Classroom practices in independent schools were found to be more student-centred than they were in Ministry schools. Independent school teachers were more likely to engage in different activities with students, they were also more likely to work with small groups than were Ministry school teachers.

⁵⁸ Interview with school operator 12/10/2009

Independent school teachers actively tried to engage students more than their Ministry counterparts did. They were significantly more likely to encourage interaction between students. Independent school teachers also placed greater cognitive demands on their students than did Ministry school teachers; they expected significantly more analysis and evaluation from their students.

The research revealed that independent school teachers use student-centred pedagogical approaches more often than do their Ministry counterparts, perhaps because independent school teachers were receiving more professional development than Ministry school teachers.

Many Ministry teachers said that they recognised student differences but were kept from responding to them by the large numbers of students in their classes. Independent school teachers were clearly working hard to implement the new curriculum standards. Teachers reported that they spent many hours in meetings in which they shared ideas about how best to convey key concepts and engage students in their academic work. Some independent schools held contests and offered prizes designed to improve student performance and generate excitement about learning. Despite these successes, it was evident that the implementation of the new standards would need more support. The researcher found that although content was being conveyed, the use of instructional practices that call for critical thinking was still relatively limited. Laboratory activities intended to provide students with hands-on experiences all too often ended up as not engaging students. Classroom materials that teachers selected or developed were sometimes inadequate and may not completely aligned with the curriculum standards. It was obvious that the independent school operators and teachers did not fully grasp the principles of the reform.

Independent school parents were more involved in but not always satisfied with the new schools. They reported that there were more parent-teacher conferences than in the Ministry schools. Whereas many Ministry school parents reported that they had never talked to school staff, this was significantly less true for independent school parents. Likewise, significantly more independent school parents said that their child's school was preparing him or her for the future. A number of parents reported that they considered the use of English as the language of instruction in mathematics and science a key indicator that the Independent schools were doing a better job. However, some parents complained that Arabic is taking the back seat to English.

“My child can not spell, he is in Grade 5 and he can't spell. They (teachers) want to make them (students) fluent in English, we want that. However, first they need to teach children their mother language, Arabic. I wish they would use the old Arabic text books used in Ministry schools, they were fantastic.”⁵⁹

Independent school students indicated that they were happier, more interested in, and more satisfied with their school than did Ministry students. Independent school teachers reported that their students were more motivated to learn and attributed the motivation to better facilities, an emphasis on active learning, and the effectiveness of instructional strategies focused on student engagement. Compared with Ministry school students, independent school students reported that they were prouder of their school and more satisfied with what it offered.

⁵⁹ Parent Focus group September 2008

According to Rand (2008), overall, independent school students in Grades 4, 5, and 6 did have better outcomes than their Ministry school counterparts in all four tested subjects: Arabic, English, mathematics, and science. Both generation I and generation II school students outperformed Ministry school students in English and Arabic; generation I school students who took the assessments in Arabic outperformed Ministry school students in mathematics and science; generation II school students who took the assessments in Arabic outperformed their Ministry peers in science. While it is true that uncorrected scores were lower for students in generation II schools than for those in generation I schools, the results, Rand contends, were similar when such controls as parent education and students' prior academic achievements were added. This suggests that the inclusion of high-performing schools in generation I may have somewhat elevated those scores relative to generation II school scores. Alternatively, it is possible that the differences can be attributed to the generation I schools having more highly motivated staff, perhaps teachers who had served for years in the Ministry system and then seized the chance for change by moving to an independent school. Future test results will help clarify the degree to which results can be attributed to school differences.

International tests painted a different picture; Ministry schools out performed independent schools, Rand explained this by stating that students in independent schools are in the adjustment phase and that future international tests will show independent schools outperforming Ministry schools.

Furthermore, in almost all of the independent schools the researcher visited, people linked Independent schools to private schools. It appeared that the effort on the part of the Independent schools to create an image of being like a private school were related to their

efforts to project a sense of distinctiveness, of doing something different from other public schools in the area. One educator in an independent middle school explained, in the context of talking about the school's required parent involvement. "We provide a private school education in a public school."

According to a former School Board member, "the regulations allow the school to be more like a private school because they can accept or deny students on the basis of the character." Indeed, the principal of the independent school noted that his school was no longer limited by the rules and terms of the Ministry of Education, "to that extent we are like a private school. We can say, 'you are not in adhering to the rules of the school. You either comply or you don't go to school here. That's the rule.'"

Related to this notion of being like a private school, many people rush to register their children in popular independent schools. Being wanted and in demand is essential for independent schools. The length of the waiting list of families trying to get their children into the independent schools was an important illustration of this popularity. Also while some principals in public schools complained of limitations such as not being able to fire a technician, operators in public schools were criticized for hiring relatives.

As noted above, independent school have greater autonomy than most regular public school to create their distinct educational communities. This ability to create a distinct image was more meaningful for new, start-up independent schools than it was for converted public schools that already had students enrolled, although even some conversions of schools over time, strove to develop more distinct followers.

28. The Information Centre

Formed in 2006, the Education Institute Information Centre serves as the primary liaison between the Education Institute and members of the community. The Information Centre is responsible for cataloguing, researching and responding to the public's questions, concerns and suggestions about the Education for a New Era reform initiative, including answering inquiries about the independent schools. The Information Centre also plays a major role in building awareness in the community about the reform initiative and the independent schools.

The Information Centre comprises two primary units, the Support Unit and the Information Unit. The Support Unit receives the complaints, suggestions, and requests for assistance from the public. It then researches the inquiry and sends it to the Institute officials for replies and solutions. The Information Unit collects, classifies and distributes information about independent schools to officials and the public. The Information Centre receives and responds to nearly 100 requests for support each week on average.

SEC's Website Named Finalist for International Award: Al Watan (Newspaper article) 2009

The SEC website was nominated as a finalist for the World Summit Award as the best e-content example in the Culture category. The honour is awarded as part of the United Nations World Summit on the Information Society. Launched in March 2004 at the same time as Education for a New Era, the SEC site is maintained by the Office of Communications. Thousands of parents, students, teachers, and community leaders access the dynamic, information-rich website available in both Arabic and English. Content includes "School News" about independent schools and 'What's New?' about milestones in education reform. Visitors can also access videos, audio files, and photos.

Three Samples of Documents from SEC Website May 25, 2009

Information Technology Department Strides to Advance SEC Goals

The Supreme Education Council's information technology (IT) staff kept busy this year helping to connect students and teachers to technology that enriches the learning experience. A system was developed that charts independent school students' grades and results. The staff conducted training for independent school leaders on the grading system, as well as on an admissions' system. The SEC worked with the Supreme Council for Information and Communications Technology to implement technology-driven programs such as Knowledge Net and e-Schoolbag. And the IT staff prepared to set up 40 foreign language teaching laboratories and ensured that all Independent schools are wireless.

Annual Symposium Focuses on Technology in Education

The SEC held its annual symposium in March under the title "Illuminating Learning with Technology," highlighting the powerful role technology can play in improving and enhancing the education process. The symposium featured lively discussions by experts from Canada, Hong Kong, Kuwait, and Qatar. Specific issues addressed included ways to use appropriate digital-age tools to motivate and challenge students; and strategies that support teachers as they strive to incorporate new technologies into the curriculum and lessons.

IT Department Launches Hassle Free Registration System

The Supreme Education Council's Information Technology (IT) department has launched a new program that merges the registration database of all the independent schools in a bid to control multiple enrolments during registration.

In the reform's fourth year in an attempt to create a more competitive environment and in order to speed up the change in the educational arena, the decision-makers introduced the idea of the Outstanding Schools. Qatar's Outstanding Schools Initiative is a unique programme, which aims at meeting the needs of Qatar's growing population and supports

Education for a New Era, through which the State of Qatar is building an unconventional education system.

The Outstanding Schools Initiative started in 2007 by forming the Outstanding Schools Oversight Committee (OSOC), a collection of exceptional schools from around the world establishing branches in Qatar, to serve both Qatari and expatriate students.

Outstanding Schools are selected from top schools throughout the world, which teach accredited international or national curricula. Students from these schools are routinely admitted into the world's most prestigious universities. In addition to implementing the curriculum model from their home campus, all Outstanding Schools in Qatar teach Arabic, Islamic Studies and Qatari Social Studies. The first two schools established under the Outstanding Schools Initiative, the Michael E. DeBakey High School for Health Professions from Houston, Texas, USA and The International School of London in the UK opened their Qatar branches in autumn 2008. The third Outstanding School, Sherborne School from Dorset, UK opened its Qatar branch in September 2009.

Furthermore, to raise the quality of teaching in private schools, the SEC has introduced strict licensing procedures for new private schools, while existing schools have been given two years to comply with SEC requirements. Many private schools with a high number of students will need to restrict admissions or improve their facilities to comply with the new rules and regulations.

29. SEC and RAND

Rand was commissioned as mentioned earlier in drafting the new policy for the educational reform in Qatar. A lot of criticism from stakeholders opposing the reform stemmed from RAND being an outside party that did not understand the country's culture and traditions.

Although RAND established a base in Qatar, RAND Qatar, this animosity toward RAND reoccurred in many interviews the researcher conducted with different stakeholders. This led the researcher to believe that part of the resistance to the change that the reform introduced was due to this animosity.

“After the policy was drafted, the SEC invited operators who were not trained to think outside the box to lead independent schools. Additionally, these operators did not have experience in designing curriculums. Although SSOs supported them in their first years of operation, the operators could not change their traditional practices overnight. Therefore, weaknesses regarding control structures started surfacing. Agencies like RAND don’t follow through; they should be held accountable to all the pitfalls.”⁶⁰

In 2008, recognising that the strategy for the reform needed to be revised the SEC asked RAND again to align the strategy. The researcher also supervised the revision process after which a clear strategy was formulated outlining expectations and defining the different roles of different institutes of the SEC. Accordingly, the operational strategy was also drawn and SEC managers were allowed to air their problems, concerns and expectations in brain-storming sessions. In the sessions, disputes were resolved and problems were tackled which consequently led to a more productive atmosphere among SEC staff. However, representatives from other stakeholders like, ministry managers and parents were missing in the brain-storming sessions; hence, issues concerning those stakeholders were left unresolved.

⁶⁰ Interview with a manager in the Ministry of Education April 4, 2007

The researcher contends that the strategy storming sessions should have been conducted before the implementation of the reform and that all stakeholders should have been invited to join in the discussions, this would have minimised the resistance to the change introduced.

To date, parents are still airing their complaints in the media as they feel alienated and not part of the decision-making process. Similarly, teachers, who are a very important component of the formula, also feel they were never part of the decision-making process. Some stakeholders feel that RAND, in formulating the policy, failed to engage these very important stakeholders and hence, jeopardised the success of a whole-sale effort to privatise public education.

“I think what has been introduced in the education system in Qatar is an experiment of some sort. It is like inventing a new car. When you do that you road-test the car first before you start mass producing. I feel we have not tested the model and went on to the implementation stage which resulted in so many problems that undermined the new model. Perhaps, if the reform was introduced gradually, we wouldn’t have run into so many problems.”⁶¹

30. Improvising

In 2010 when the remaining public schools were getting ready to turn independent, decision-makers were faced with more challenges. Students who attended school in the morning or those who are older than the average school student go to evening schools “Masaii schools”; the model introduced did not cater for those students. With all public schools now turning independent, the SEC had to come up with a business model that could absorb students attending evening schools. In May 2010, the SEC announced the opening of six schools in Doha to provide parallel education (evening classes). These schools will start operating in the

⁶¹ Parent interview May 1, 2009

academic year 2010/2011. The schools include primary, preparatory, and secondary stages for male and female students. The SEC also announced job opportunities for those interested in working in the evening classes at all levels including operators, administrators, secretaries, and teachers. The SEC can only speculate that Qatari operators will be willing to run evening schools. Managers interviewed expressed concern mainly because they thought the salaries offered were not attractive enough and well below salaries in mainstream independent schools. Salaries are stipulated as follows: the school operator will be paid QR 5200 monthly, QR 2200 for the secretary, and QR 3600 for the teacher.

SEC Website (News Articles) 29 May, 2010

The Supreme Education Council announced the opening of six schools in Doha to provide parallel education (evening classes) effective the new academic year 2010/2011. The schools will include primary, preparatory, and secondary stages for male and female students.

The SEC also announced job opportunities for those interested in working in the evening classes at all levels including operators, administrators, secretaries, and teachers. Teachers are required to have obtained bachelor degrees in education and one year experience in the job for Qataris and three years for non-Qataris. Salaries are stipulated as follows: the school operator will be paid QR 5200 monthly, QR 2200 for the secretary, and QR 3600 for the teacher. Teachers will conduct (15) lessons weekly. Interested candidates are requested to send their applications to the SEC, Dafna Tower, 8th floor, before June 17, 2010.

Also with all public schools turning independent, problems relating to registration started emerging; operators and SEC managers were receiving a lot of complaints regarding the traditional registration process. Some managers appeared to resort to improvisation and created informal networks to help guide parents to the best and easiest way to registering their children in independent schools. However, some of these efforts were frowned upon by superiors as managers needed to get a written or verbal consent before taking such decisions.

In recognition of the parents' mounting concern regarding the registration process, the Education Institute Assistant Director, Khalid Al-Harqan issued a circular to all independent school operators specifying the admissions policy in the different key stage levels in independent schools.

The new admissions policy was mainly based on a group of criterion including geographical location (registration of students in schools closest to their homes) and registration of siblings in the same schools. The policy was also based on an electronic registration system on line, which the SEC launched in 2009 with the Evaluation Institute supervising the process.

Subsequently, the Minister of Education and Higher Education and Secretary General of the SEC issued a decision on January 25, 2010 establishing a joint committee comprising all stakeholders to help facilitate the registration process in the independent schools. The committee came up with number of procedures that would help ease the registration for parents. "We have considered the ease for students and parents to enrol their children in schools near their homes while at the same time giving parents the freedom to choose schools that best suits their children's needs as stated in the SEC principles," said the Minister of Education and Higher Education and Secretary General of the SEC.

Accordingly the new registration policy has been divided into three stages:

- The first stage: registration of siblings in the same school
- The second stage: early registration electronically in nearby schools
- The third stage: allocated to new comers and the vacant seats

First stage: Registration of Siblings

Registration begins from May 9 to 18, 2010 for Qatari nationals and children whose mothers are Qatari nationals and children who have siblings in the school – provided they are not in the final grade in the school.

On the receipt of the feedback, school officials will then check and apply the registration rules with respect to age and nationality before entering the data into the database from May 19, 2010. Parents will receive notification about acceptance of their children in the schools.

Second stage: Early Registration

This stage commenced on May 9 to 13, 2010 and it includes all successful students in Grades Six and Nine from all nationalities. During this period, schools registered students automatically in nearby schools upon agreement. Parents were then allowed to transfer their children to other schools based on existing vacancies, the schools then transferred students' files to their new schools. Parents have the right to report the school if the child is not registered in a nearby school on the same registration day. Students, who are not interested in registering in the school selected for them by the SEC, can have their parents report to the school of their choice.

Third stage: Registration of newcomers and vacant seats

This included all students in all stages from all nationalities and is conducted according to the schedule prepared by the Education Institute. During this period, all new students are registered. Students registered during the early registration stage will be transferred during a period to be announced later. This procedure began from May 30 to June 2, 2010.

The SEC promised to announce registration procedures and dates for each stage in all the local papers and issued a guideline for parents including all formalities and procedures. The

SEC Information Technology Department also provided training in the schools on the electronic registration program to ensure its efficiency. Coordinators from SEC were available in the registration centres to supervise the registration of the newcomers only and to ensure proper application of the rules and regulations. Coordinators checked vacant seats and checked posting of students' data every day. Coordinators also communicated between the school and the SEC.

The role of the school

The schools provided the employees required to fulfil the registration procedures provided that they are experienced in the data entry. Schools were also obliged to place posters at a visible location indicating the name of the school, the name of the operator, the location, the required documents and the working hours. Lastly, schools were also required to send messages to parents on a weekly and monthly basis to update them with registration information.

Summary

This chapter described the organisational and operational aspects of the SEC. It detailed the responsibilities of the three SEC institutes and sheds light on the corporate governance system introduced to cater for the reform. This chapter also presented the SEC corporate governance system from different perspectives. Key informants' quotes, feelings and attitudes towards the reform were included and analysed. The financial system supporting the reform is described in great detail and areas of weaknesses and strengths were highlighted. Key stakeholders were analysed and their point of view regarding aspects of the reform tackled. Improvisation comes up in many quotes in this chapter; the fact that the education model is unprecedented made some managers fall back on improvisation to tackle daily emerging challenges.

Chapter XI

Analysis of the Case Study Report

1. Plan of Analysis

The purpose of the analysis is to describe the evolution of the control structure in the reform; develop a set of objectives and analytic tools for evaluating the system designed for the reform; evaluate the system and offer suggestions for improving it. In order to test the efficiency of the existing control system in the SEC, the researcher had to study and make an analogy between the SEC and the previous system, (the MoE).

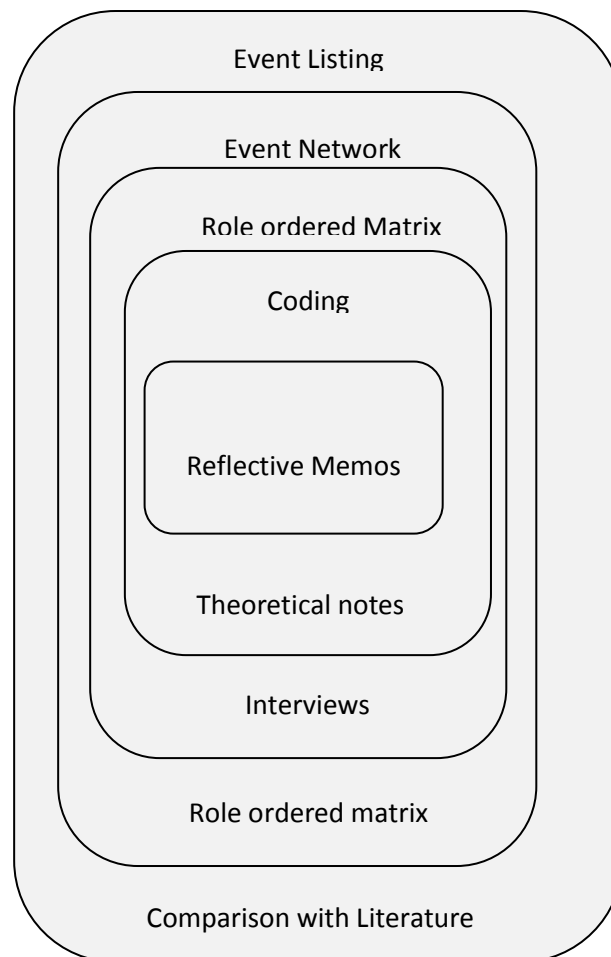
Yin (1994) states that every case study should start with general analytical strategies. These general analytical strategies, with regard to case studies, provide the researcher with a system by which the researcher can set priorities for what it is the researcher needs to analyse and why.

2. Data Analysis

Data analysis is a process of organising and interpreting the data (Creswell, 1994; Glesne & Peshkin, 1992; Goetz & LeCompte, 1984). To address the research questions, the analysis focused on describing a holistic picture of Qatar's educational sector. Documentary data and interviews were examined looking for both common and distinctive ideas. Creswell (1994) stated that the analysis process was based on reduction and interpretation of the data. Coding was used to accomplish these goals. According to Miles and Huberman (1994), coding by concepts was recommended when the researcher has identified or discovered clear conceptual themes. Examining the SEC documents, several themes emerged. These themes can be generalised to three major topics: (1) Weak governance structure of the previous system

(MoE; (2) Effectiveness of the new corporate governance model; (3) problems accompanying the new corporate governance model due to late insertion. These themes consistently remained the focus of the study.

Figure 15: Data Analysis Levels



In writing about qualitative data analysis, Miles and Huberman (1994) state that the focus is on data in the form of words. These words require processing, according to these authors, and this processing is in itself a form of analysis. Miles and Huberman (1994) define data analysis, “as consisting of three concurrent flows of activity: (1) Data reduction, (2) Data display, and (3) Conclusion drawing/verification”. Upon first obtaining data during a “data

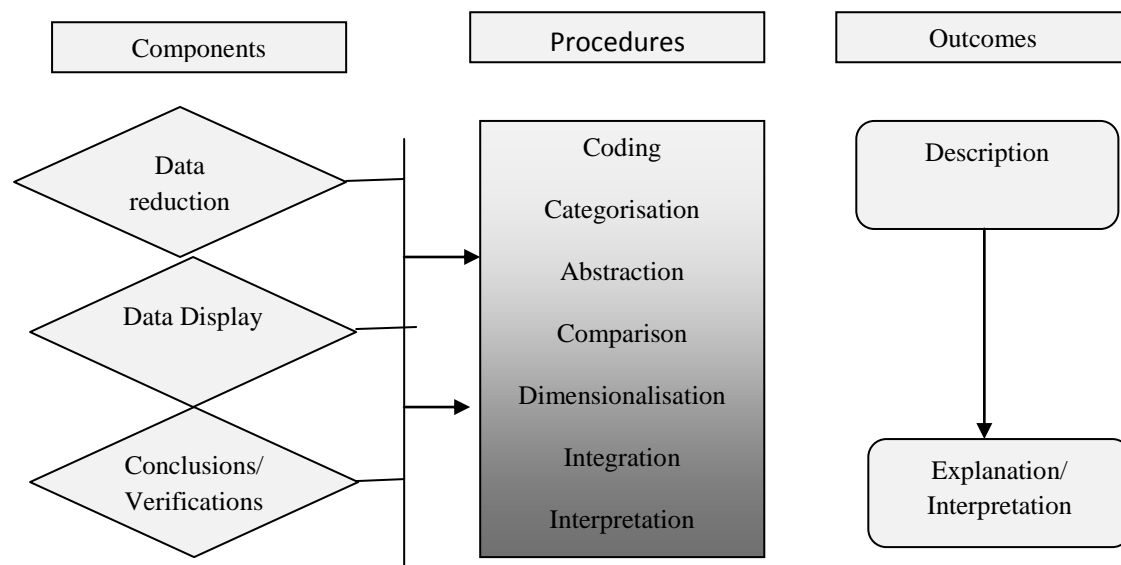
collection period,” Miles and Huberman explain these three stages of qualitative data analysis as follows:

- Data reduction should not be considered to be separate from analysis, but as a part of it. This reduction of the data is an analysis that helps to sharpen, sort, focus, discard, and organise the data in a way that allows final conclusions to be drawn and verified.
- Data display entails taking the reduced data and displaying it in an organised, compressed way so that conclusions can be drawn more easily.
- Conclusion entails noting regularities, patterns, explanations, possible configurations, causal flows, and propositions. However, Miles and Huberman (1994) also add that the competent researcher should hold such conclusions lightly, while maintaining both openness and a degree of scepticism.

For analysis of artefacts and interviews, a conceptually ordered display (Miles & Huberman, 1994) was utilised. A first, a qualitative analysis software package, XSight, assisted in analysing interview data. Data were separated into individual conceptual text units by question and the corresponding answer. Data were then imported into the software and coded by topic; data were analysed by comparison and re-evaluation. The researcher looked for patterns that described corporate governance components and exceptions to these patterns. When necessary, clarification was obtained from respondents in follow-up interviews. However, after conducting the pilot study, the researcher thereafter decided to analyse the data manually because the researcher wanted to feel close to the data. The transcribed, raw interview data were first organised by research question. Significant comments were extracted from each interview and arranged in a table. The data, sorted by question, were

reviewed for broad themes, and summaries of the findings for each question were then created. These data were presented to some teaching staff of the schools and SEC managers and staff for feedback, correction, and verification.

Figure 16: The Qualitative Analytical process



3. Validation and Reliability

Quantitative researchers employ a variety of methods to establish reliability and validity of the study. While qualitative methods address different research questions and methodology, rigor must also be established. Guba and Lincoln (1994) suggest four criteria to establish rigor of a qualitative study. Each of these four criteria parallels a necessary component in a quantitative study. Since qualitative studies rest upon a different philosophical foundation and collect different types of data, rigor must be established with methods consistent with a qualitative design. Credibility is ensured by prolonged engagement, persistent observation, triangulation, peer debriefing, and member checking (Guba and Lincoln, 1994). The

researcher satisfied prolonged engagement and persistent observation by visiting the site two-three times monthly for the entire academic year. Field notes, interviews, and artefacts that revealed similar ideas satisfied triangulation. To ensure member checking (Creswell, 1994; Guba and Lincoln, 1994), peers reviewed what the researcher wrote for accuracy. Transferability was provided by an elaborate description (Geertz, 1973) that others can be used to determine if the results are transferable. Dependability and conformability were supported by thorough records of data collection and data analysis decisions, field notes and a journal.

4. Interviews Analysis

One of the data sources and the most dominant is a transcribed interviews' log. Kvale (1996) differentiates between five main approaches to analyse interviews. These are meaning condensation, meaning categorisation, meaning structuring through narratives, meaning interpretation, and ad hoc meaning generation. During this research, the researcher used a combination of the meaning condensation approach and the meaning categorisation approach. Meaning condensation entails an abridgement of the meaning expressed by the interviewees into shorter formulations. Long statements were compressed into briefer statements in which the main sense of what was said was rephrased in a few words. Meaning condensation thus involves a reduction of large interview texts into briefer more succinct formulations (Kvale, 1996). Meaning categorisation implies that the interview is coded into categories. Long statements are reduced to predefined categories, and can reduce and structure a large text into a few tables and figures (Kvale, 1996).

Interviews were used to identify control strengths anti weaknesses, with the five COSO control components serving as a standard. The interviews measured management and staff

perceptions about the importance of key control elements and the degree to which those individuals perceived those elements to be effective.

The researcher read all interviews three times and listened to all audio recordings twice in order to get a better understanding of the interview content as a whole and sense possible inter-relationships between the interviews. Second, narrative reports were compiled. These narratives helped to gather a more structured outline of the meaning of the interview text. Third, comparison of narrative reports, transcripts and field notes were made. This stage involved a first inductive open coding so as to derive a codebook, core categories and subcategories of commitment behaviour, and triggered outcomes. Open coding involved “‘breaking down’, examining, comparing, conceptualizing, and categorizing data”, (Strauss and Corbin 1998). Finally, the categorisation scheme started to appear from the interviews. The code development was the most time-consuming part of the analysis process. The confirmatory stage was deduced by analysing the collected data to decide if it overlapped with Meyer and Allen’s (1997) conceptualisation. Multiple methods to increase reliability and validity of the coding procedures were applied and are explained in depth in later sections. Fourth, data was analysed by identifying the means-end chains of meaning for individual respondents.

As a member of the Supreme Education Council, the researcher had access to sensitive and confidential documentation to help in the evaluation of the system, however, the researcher also sought primary data by conducting research in 10 Independent schools. This aspect of the case study was modelled on a design used by Lieberman (1995) whereby the researcher, as "a critical friend" (Lieberman), provided the school with a common framework which included interview protocols, surveys, and training, and asked an action research team

(Calhoun, 1994; Sagor, 1992) to tell their basic story of change efforts. This action research model required a partnership between the staff and the researcher whereby the staff provided the closeness necessary for greater depth of understanding of practice, and the researcher provided the distance necessary to interpret what was happening. The researcher also brought a broader conceptual base and research expertise to the partnership, whereas staff involvement ensured access to data that might not otherwise be available, and strengthened analysis and interpretation. For example, this partnership design provided on-going and unique opportunities for the researcher to be in the school and be an observer/participant in a variety of public events (such as special assemblies) and school professional development activities which facilitated the building of trust over time.

The interview protocols were based on the five disciplines of Senge's (1990) learning organisation. Applicable documents were reviewed using the same interview protocols. A total of 20 interviews were conducted with teachers and administrators. Additionally, during the pilot study period, a survey was administered to the entire school staff by the researcher.

The researcher examined the KPIs and KPAs outlined by the SEC with the support of RAND. For each department, the researcher would examine the KPAs and KPIs and check whether there are controls to support it.

Sample SEC & EC Goal/ KPA & Researcher Observation

KPA #	1	Researcher Notes
Goal / KPA	Continuous articulation of progressive education policy that responds to Qatar's human development efforts, growing	Achieved. The country recruited top agencies to help articulate progressive

	economy, and labour market needs	policies and shall continue to monitor labour market needs
Strategic Analysis	Corporate structure helps decision makers make strategic decisions based on actual stake holders' needs and frees the system of the operational problems in regard to everyday running of schools	
Objectives	<ol style="list-style-type: none"> 1. To have articulated progressive education policy based on comprehensive and objective analysis 2. To have responded to Qatar's human development, economy, and labour market needs. 	Achieved
Monitoring and Evaluation	Annual and periodic reports, external firms reports e.g., RAND. The SEC continues to invite top agencies locally and internationally to assess the system and align the strategy to the changing environment. SEC works closely with other governmental bodies, e.g., planning council to assess market needs.	
Links to other Objectives	KPA1-KPA2-KPA3-KPA4	
Risks and assumptions	The system should ensure that requirements are timely and effectively fulfilled in the four following aspects: logistics, financial resources, manpower and legislation	Achieved

Sample Research Policy & Strategic Planning Goal/ KPA & Researcher Observation

KPA #	2	
Goal / KPA	Support the executive committee in examining the effectiveness of	

	existing policies, and in formulating new policies, through adopting structured approaches to policy analysis, addressing conceptual, social, educational, economical and other policy related issues	
Strategic Analysis	<ol style="list-style-type: none"> 1.The policy research function is not yet fully configured, so as to allow for its systematic operation because it was introduced during the fourth year of the reform. 2.An explicit reform system policy framework is required. 3.A comprehensive, but also specific, conceptual model of the reform has to be explored and developed, so as to define the reform's potential effects upon the education, social, and related fields, in Qatar. 4.Key milestones for ongoing monitoring policy accomplishments have been laid out but not yet fully practised for this department. 5.A reporting system to the EC, one that deliver updated policy related information needs to be more efficient. 6.A reform policy dissemination set of procedures, for the SEC to communicate its policy options and directions, to the public opinion, needs to be more efficient. 7.A public awareness campaign about the education reform policies needs to be more structured. 	
Objectives	<ol style="list-style-type: none"> 1. To have continuously examined the effectiveness of existing policies through adopting structured approaches in policy analysis 2. To have collected and analysed studies and reports at national level and supplied the EC information and analysis that assists the EC in establishing the context for policy formulation and development, and sets the over-all general policy direction to all SEC entities 3. To have developed strategies to assist the SEC to advocate and advance policy priorities, and to have informed and educated the public concerning education policy issues and reforms 	
Monitoring and	There is no monitoring system for this yet, because it is relatively	

Evaluation	new (introduced 4 th year of the reform, the SEC is still testing the efficiency of the unit.)	
Links to other Objectives	KPA1 and KPA3	

The researcher turned to the key question of whether the reform's corporate governance system is meeting its objectives. The researcher evaluated the system using the COSO model. All the collected data is categorised in accordance to the different attributes of the COSO model.

5. Analyses of Case Studies

Using a case by case analysis as well as a cross-case analysis, the researcher tried to establish an understanding about the development of a corporate governance system in Qatar's privatised model of public education.

5.1 Case 1 (i): Ministry of Education

During the period in which this study was conducted, the Ministry system was very much centralised. The Ministry did not change its hiring policies or procedures related to staff or teachers. It continued to assign teachers and principals to schools mainly because principals had no autonomy to hire their teachers or staff or even to design professional development programmes for teachers. However, some Ministry teachers were turning to the curriculum standards workshops offered by the Education Institute.

The observation stage of the research included visits to the Ministry that revealed a traditional system characterised by hierarchy with the Minister and Deputy at the top. Financial affairs were all kept in the hands of the Ministry and the budget is approved by the Prime Minister in a meeting with all Ministers annually. There were little evidence of fraudulent documented practices; however, examination of documents revealed lack of total quality practices. For example, two employees were found to serve a post that required only one. Risk aversion was very high as the system did not allow for innovative approaches and resorted only to traditional proven-to-work methods of governing.

A very strict monitoring system was prevailing in the Ministry of Education prior to the reform, from the Minister very much involved in the operational aspect of the Ministry to the inspectors that made sure academic quality was maintained in public schools. Nonetheless, the system did not encourage professional development.

The weakest aspect of the system was the information aspect. The Ministry, prior to the reform, was ignoring what was happening in the international educational arena and little was done to evaluate other educational methods or introduce new innovative approaches to the system.

The researcher contends that the system in the Ministry of education was highly centralised with little in terms of innovation; however, the monitoring policies and processes were efficient. Communication was also found to be satisfactory among all stakeholders, nevertheless, there was a lack of strategy and shared vision among them.

The researcher visited a number of schools to examine the physical conditions of the school facilities and to observe teaching styles at the schools, focus group interviews with school staff, students, and parents, and interviews with officials at the Ministry of Education and with parents revealed a dissatisfaction with the physical facility but to some extent the academic quality was praised by all. A lot of parents complained, however, that the system did not encourage innovation and research. Rote learning was found to be the norm in Ministry schools and there was little emphasis on critical thinking.

To determine whether Ministry schools had changed in response to the reform, the researcher compared observations made during visits to a small number of Ministry schools in 2001 with the results from the sample included in the current study in 2007. In some cases, the researcher derived additional information from teachers who had attempted to introduce or had introduced new practices in Ministry schools. QNEDS data were also instructive for understanding the attitudes and practices of Ministry school teachers.

Ministry schools had few incentives to change. Because Change of any sort was deemed difficult within the newly established system, and the obstacles were perhaps even greater in this case; the Ministry had always made all decisions about curriculum, personnel, instructional practices, and daily operations. Moreover, the policy directive stating that all Ministry schools would be converted to independent schools further inhibited the desire to initiate immediate improvements.

Indeed, the researcher found little evidence of change. While some Ministry school teachers reported taking advantage of training opportunities offered by the Education Institute's Professional Development Office, many said that they could rarely incorporate what they had

learned into their classroom practices. Similarly, Ministry school teachers often indicated that although they were aware that their students had individual learning needs, they could not accommodate them because of the large number of students in their classes and the demands of the Ministry curriculum, which valued carrying out lessons as scheduled over meeting students' learning needs. Many Ministry school teachers were aware of the new curriculum standards but thought that they could not be implemented within the prescribed Ministry curriculum.

At the time of this study, all remaining Ministry schools were expected to convert to Independent status. This transition offered an opportunity to provide training and development to teachers and administrators currently in Ministry schools so that they would be prepared to assume new functions in the independent school system. The SEC offered several programmes to train teachers in the Ministry schools. During the training sessions, the researcher sensed a lot of dissatisfaction among Ministry managers and teachers, they felt they were not fairly treated and job security was the main theme emerging from these sets of interviews. Additionally, while some Ministry teachers thought the training programmes were beneficial, most of the teachers questioned said they were not systematic and offered little help in understanding the requirements of their potential role in independent schools.

In 2009-2010 academic year, the consolidation of SEC and the Ministry offered an opportunities to address weaknesses in the system, The Minister of Education, His Excellency Saad Al Mahmoud, since his appointment has revised several policies to address problems in the system.

Excerpt from the Researcher's Diary: 11/12/2009**Observation 1: Ministry School XXX**

“The schools seemed very clean and organised; there were hardly any students in the corridors. It was not break time. The Principal took me to her office, which was also very tidy and clean ... the inspector from the Ministry showed me her observation notes after she attended an English lessons. The notes were very well written and addressed important issues; however, nothing was mentioned in regard to innovation and use of extra material beside the prescribed Ministry book. Although the Principal is not asked to assess teachers academically, she shared her evaluation of teachers in her school with the inspector. It seems that she attended lessons for that purpose.”

5.2 Case 1 (ii): Supreme Education Council

It was agreed from the outset that in order to institute fundamental changes to the system, a new education policy body, the Supreme Education Council (SEC), needed to be put in place to set broad policies and goals for the reformed education system. The SEC is currently comprised of three institutes:

Education Institute:

Headed by Sabah Al Haidous, the Education Institute succeeded in introducing international curriculum standards tailored to the Qatari environment, however, not involving all stakeholders in decision making created a lot of challenges for the Education Institute.

Parents aired their concern through media and other channels about the quality of education in some independent schools. The Education Institute failed to create a sound monitoring system when it came to implementing the reform policies. While a lot of independent schools were successful in training their teachers and introducing them to the reform

principles a lot failed to implement them. Subsequently, a lot of parents were questioning the rationality behind counting on the few success stories of independent schools and ignoring the majority that are struggling with shortcomings of the monitoring policy. In some instances stakeholders were questioning whether a satisfactory monitoring system is achievable under such a model.

Similarly, the SSOs – School Support Organization – which provide educational and operational school support to school operators, were not all professional. While some of the organisations recruited were very efficient, others failed to offer the support needed for independent schools which raised questions about the recruitment process.

The Education Institute is also responsible for setting up the contracts with the operators of the new Independent schools, and provides them with the financial and professional development. A lot of licences were terminated over the course of the reform which suggested a deficiency in the selection process.

The professional development offered by the SEC was helpful according to some managers and teachers, however, some complained that the training programmes were not very efficient and some teachers described them as ‘cosmetic’.

Evaluation Institute:

The Evaluation Institute acts as an independent monitoring entity that designs and deploys tools to measure quantitatively the school performance. Although, the tools designed by the Evaluation Institute were being used to collect performance data on all remaining MoE schools, independent schools, and private Arabic schools however, in response to this data,

no remedial policies were being crafted by the Education Institute or the Governing Board in response to the data collected.

Tests conducted by the Evaluation Institute were not all administered in the right manner, school operators complain that bad results are sometimes due to the fact that a lot of students take those tests lightly because they don't contribute to their overall achievement results. They also complained about other issues such as the timing of the administration of the test. Supporters of the reform think it is too early to judge such a young reform and that more time is needed to see fruitful results.

However, The Evaluation Institute has a strong monitoring system in place. During national tests, the institute succeeded in identifying abuse by some schools and operators of the system and took necessary actions.

Higher Education Institute

Through a variety of scholarship programmes, the Higher Education Institute is encouraging Qatar's youth to pursue higher education both inside Qatar and outside in top colleges and universities around the world. The Higher Education Institute also helps students throughout the scholarship process and informs them of the options they have; from choosing a major, to providing information on employment opportunities after graduation.

The Institute aims to offer flexibility to outstanding Qatari students by allowing them to pursue interests in fields that directly benefit the society and economy; however, policies in the Institute are not crafted to meet workforce needs.

Additionally, with the reform still in its initial years, the number of students eligible to study in top universities is limited. The average student finds it hard to meet the requirements of universities and colleges approved by the SEC. Working with other institutes in the SEC is still a challenge for the Higher Education Institute; coordination with other institutes is still missing.

Major Stakeholders

The educational reform was expected to generate changes in the Qatari school system and affect a number of constituents and organisations:

Students after being introduced to a more modern curriculum benchmarked to countries with high student performances had to work harder in school to meet these standards. Nonetheless, parents complain that the rigid curriculum standards are not adhered too and that the weak monitoring system does not identify weaknesses in the performance of teachers and fulfilment of the curriculum in independent schools.

Teachers were given more freedom in the classroom and thus were able to adapt their teaching strategies and techniques to the new standards and to meet the needs of individual students. This freedom was expected to increase teacher motivation and satisfaction and because the independent schools offered more flexibility with regard to how teachers are recruited and rewarded, the quality of teachers in the system was expected to improve. Teachers were better paid as schools learn that employing high-quality teachers leads to better results, which in turn leads to higher enrolment. However, in reality pay remained low and the same teachers that were working for the Ministry were also employed in independent

schools. It should be noted however, that independent schools provided more opportunities for professional development than Ministry schools.

Parents, under the reform, were more informed about schools and their performance in the new system and they were expected to use this information to choose the best schooling alternatives for their children, this goal was achieved, however, parents had little effect on what independent schools offer.

Additionally, parents were afforded increased opportunities to communicate with teachers. Parent attitudes toward the education system and satisfaction with the system was expected to improve according to the reform; nonetheless, a lot of the parents interviewed by the researcher expressed their dissatisfaction with some aspects of the reform, the main reason cited was that the change was abrupt and did not allow components of the system – teachers, principals, students – to fully adapt to the new system.

School leaders were given more autonomy in the reform and principals and other administrators were expected to make more decisions, which should have in turn increased their motivation and satisfaction. In the initial two years of the reform, heads of institutes, managers of the SEC and school operators were very appreciative of the freedom given by the SEC, nevertheless, as the reform saw financial fraud emerging, the SEC hence, introduced more constraining policies which some operators say, “rendered the operator’s role as ineffective and similar to (their) counterparts in Ministry schools.”⁶²

⁶² Interview with operator 12/01/2010

School leaders were also expected to have more opportunities for professional development in order to acquire the new skills they needed to be successful in a decentralised system; however, operators and managers of the SEC during interviews complained that they were not given opportunities to seek professional development because some operators and managers abused the system and after the third year, the SEC discouraged operators from travelling abroad to seek such programmes. On the other hand, a lot of operators said that they were given a lot of opportunities to seek professional development; however, some operators could not find the time to enrol in such programmes.

Additionally, under the reform, schools could adopt compensation systems that reward good performance, and school operators could make a profit if their schools were successful. School operators, during focus group meetings, expressed concern about not being able to use the surplus to further develop their schools. Also they complained about red tape in regard to changing policies connected with purchases, which discouraged them from seeking better quality goods.

Policymakers under the reform were expected to have more data and information about the performance of schools and the system as a whole. They would be able to use the data and information to monitor the reform and to inform strategic decision-making. Information and communication practices were found lacking and a lot of weaknesses in the system were not reported until they were very obvious. This caused some parents and other stakeholder to be dissatisfied with the system. The education system was expected to become lean and waste would be minimised and indeed the reform did succeed in creating a lean, flatter structure of management and operators, strived to adopt total quality management practices.

The Finance Office

The Finance Office is responsible for disbursing government funding to the new independent schools and for monitoring the use of those funds and writes periodic reports and undergoes an annual, comprehensive audit by an external auditor. To cover operating costs, the independent schools receive a set level of funding for each enrolled student who is eligible for a free education in Qatar. This Office also administers grants to cover start-up costs for innovative school programmes. Any independent school requesting this type of funding must submit a separate and detailed application. While some operators never bothered to ask for this sort of funding, others complained that they did not receive it in spite of the viability and innovative nature of their proposed programmes. They complained that managers, at times, did not send a response to their request. A few mentioned that they had received grants after submitting a comprehensive description of proposed programmes.

The Office of Finance was also set to provide clear guidelines to help potential independent school operators develop a financial plan to submit as part of the application process to run a school. Comprehensive financial plans are required of all candidates, and the Education Institute has developed a finance Handbook as a guide in meeting this requirement.

In an interview with a former manager of the SEC, she explains the early years of the reform, “I was part of the implementation team during the first years of the reform, I liked the idea behind it and everyone was committed at first. We conducted teacher training programmes endorsed by a university in the United Kingdom; they were very efficient. I also worked with RAND before moving to the higher education unit. Bureaucracy crept in after the first 3 years, now the XXX Institute is run like a conventional school. Also inspectors weren’t doing a good job; yes, we want freedom and innovation but accountability is a must.

Therefore, monitoring is a very essential part of the reform, a part that is not executed well. However, I think in five years we could, if we address the weaknesses of the system, have a very successful model. We need to develop the human resources that can carry this reform forward, especially now with graduates from the high calibre universities present in Qatar Foundation.”

Although a lot of research was carried out before and after the implementation of the reform, few research reports were read by managers and acted upon. The change, the researcher contends was too large a scale and the strategy was not crafted well enough; hence, managers were not very well prepared for what was to come.

As the reform was unprecedented, some managers dealt with the lack of a sound strategic and operational strategy by improvising; some improvisations were successful and others not so successful. For example, in regard to independent schools, the auditing committee had to, on a daily basis, come up with decisions regarding the margin of financial freedom the operators of independent schools should be given. More strategic improvisation had to deal with how much monitoring the SEC could exert on operators without jeopardising their freedom.

In an interview with a manager in the SEC, he explained, “we had to try and turn as many schools into independent schools. I had to exert pressure on my employees to supervise and call contractors, tasks that are not in their job descriptions. I also had to address and bring decision-makers attention to issues like bussing, canteens in independent schools, etc., issues no one paid attention to because everyone was overwhelmed with the reform. I had to improvise, while many preferred to do their job only and not worry about unaddressed issues. They were waiting for problems to surface before making a move.”

Meeting with all the SEC's Heads of Institutes, the researcher contends that while the Evaluation Institute and the Higher Education Institute were given clear cut tasks to fulfil. The Education Institute's tasks were not well defined; therefore areas that fell under the supervision of independent schools were left unattended. As a result, it is evident that a clear cut strategy was not formally formulated after RAND Qatar's educational policy was approved. However, in the 4th year, the overall strategy was revised an operational strategy was crafted for each institute.

5.3 Case 2: The Reform

The findings the researcher has presented in the third case suggest that independent schools were markedly different from Ministry schools in terms of how teachers and other staff are hired and what types of professional development opportunities were made available to teachers. Moreover, independent schools' autonomy regarding hiring decisions had been affected by the introduction of Qatarisation goals and minimum salaries for Qatari nationals. Another challenge pertaining to hiring and retaining teachers is related to the fact that teaching conditions in independent schools are perceived as less favourable than those in Ministry schools for reasons relating to work load and job security.

Some new policies and regulations have been introduced by the SEC in 2010 to increase the appeal of working in independent schools for teachers and staff but those regulations, operators think, undermine their autonomy and infringe on the envisioned decentralised system of school staffing.

The Education Institute, in coordination with the Civil Service and Labour Department, drafted a standard contract for operators to use when hiring Qataris into their schools. These

steps have most likely made independent schools somewhat more attractive as an employment option for Qataris. But overall, Qataris continue to see teaching in an independent school as less attractive than teaching in a Ministry school. In general, independent schools still need to develop innovative ways to approach the workload challenge.

The researcher found evidence to suggest that Ministry school teachers need more training to correctly and fully implement the teaching strategies that would best uphold the reform and convey the content and spirit of the curriculum standards. The researcher found substantial differences in the professional development that independent school and Ministry school teachers were receiving. Teachers in independent schools were more likely than teachers in Ministry schools to use technology, strategies for teaching students with different abilities and curriculum planning.

Many independent school operators have implemented performance-based evaluation systems in an effort to link performance with rewards and sanctions. However, the lack of discussion about these systems in focus groups seems to indicate that teachers need to be better informed about them and to become aware of ways in which positive performance is linked to rewards.

Data from QNEDS and from focus group discussions suggest that some SSOs have been providing training in the areas of greatest need to first-year independent school teachers. However, not all SSOs were perceived as effective in giving support to independent schools. Moreover, the Professional Development Office although executed many programmes deemed needed for teachers, not all teachers agreed on the efficiency of the programmes

provided. In general, teachers that have only joined independent schools for one year or less reported that they needed more assistance in curriculum planning and curriculum standards.

While some Qatari teachers have sought positions in independent schools in order to exercise more professional autonomy, the Ministry schools have continued to be a more attractive opportunity for most Qataris. As a result, the independent schools have been staffed largely by expatriate teachers.

Independent school students indicated that they were happier, more interested in, and more satisfied with their school than did Ministry students. Independent school teachers reported that their students were more motivated to learn and attributed the motivation to better facilities and student engagement. Compared with Ministry school students, independent school students reported that they were prouder of their school and more satisfied with what it offered.

According to Rand (2009), overall, independent school students in Grades 4, 5, and 6 did have better outcomes than their Ministry school counterparts in all four tested subjects: Arabic, English, mathematics, and science. Both generation I and generation II school students outperformed Ministry school students in English and Arabic; generation I school students who took the assessments in Arabic outperformed Ministry school students in mathematics and science; generation II school students who took the assessments in Arabic outperformed their Ministry peers in science.

International tests painted a different picture; Ministry schools out performed independent schools in some subjects according to international tests, some SEC managers explained this

conflict by stating that students in independent schools are in the adjustment phase and those future international tests will show independent schools out-performing Ministry schools.

The researcher used the case studies to test the potential effect of various policy changes, such as Qatarisation, on total reform expenditures. The researcher found that some schools gained significantly from the above policy but others had much to lose under enforcement of Qatarisation target quotas; for them it meant hiring incompetent teachers. The term ‘hidden redundancy’ was used to describe the employment of unqualified Qatari teachers to satisfy Qatarisation policies.

In the period covered by this research, the SEC reduced funding sources and froze surpluses to prevent the misuse of surplus funds. Although these restrictions appear to have achieved their desired fiscal effect, it is unclear whether they have provided incentives for schools to strive for improved performance. In addition, the second accountability mechanism of the reform, parental choice, is only partially effective in providing incentives for independent schools to raise achievement, as capacity constraints make it difficult for them to accept new students. Without the incentive to attract students, the choice mechanism provides little incentive to raise performance.

The researcher also discovered areas of concern within the information system during the time period covered by the research, including non-electronic data storage, non-standard categorisations of expenses, and a lack of unique staff identifiers. The lack of these standards made analytical work difficult in some areas. A new electronic management information system has been partially implemented since the researcher initiated this study; its aim is alleviate many of these problems.

5.4 Cross-case Analysis

The Qatari leadership realises that improving education is the best way to allow the country to compete in a highly competitive and advanced world, and that a strong education is the best way to keep up with a fast-moving world. Qatar took unprecedented steps toward introducing fundamental changes in the educational system and achieving their goal. It also designed a scientific framework to measure the effectiveness of the reform and the policy changes they made.

The Qatar K–12 education reform is expanding quickly; the academic year 2010-2011 will see the last public school turn independent. As the number of schools and students affected by the reform grows, more weight can be placed on information provided by the types of analyses the researcher has outlined. Greater transparency, combined with this growth, the researcher contends, will permit a thorough understanding of the operations adopted in successful schools and the level of funding that would adequately support success throughout the system.

The case study revealed areas for improvement in the finance system to enrich its capacity to support the reform and its overall mission. The researcher found that independent school operators were hesitant to spend in their first year of operations and carried sizable surpluses of about 15 percent of revenues, on average. In their second year of operation, they spent more but still carried surpluses of about 10 percent of revenues, on average. Some of this hesitancy in spending may have stemmed from general uncertainty regarding funding policies. Some may also have been due to a lack of experience in the management of budgets or to a lack of familiarity with the full range of resources that could be purchased by schools.

While in the implementation phase the reform faced some challenges because it was also about changing culture and attitudes, it has made significant improvements and is being given

all the support from the top leadership in the country; however, the consultative nature of the Arab culture has been, at times, an obstacle to fulfilling some of the principles of the reform. The consultative decision style of the Arab culture, in contrast to American individualistic culture, is collectivistic. Ali (1989) stated that Arabian manager's approach to management is highly influenced by their cultural and historic values. Researchers had categorised decision making process into different styles. For example Vroom and Yetton (1973) identified five different decision styles. Consultation has a major role in Arab business decision making (Siddiqui, 1997). Studies in the Arab World found that the consultation decision making process is the main approach used among managers. AlJafary & Hollingsworth (1983) suggest that the Arab executives find that the purpose of consultation is to fulfill the egos of the parties involved rather than to improve the quality of the decision. Therefore, Ali (1989) argues that Arab managers may display a pseudo-consultative style in order to reduce tension and create a supportive environment (Mohammed Al Suwaidi 2008)

Nonetheless, the reform managed to turn the education sector to a lean system that does not encourage waste. The SEC, with a flatter form of management, brought decision-makers closer to the action with several heads of institutes reporting back to Minister of Education. Spreading and sharing the responsibility with the three heads of institute, helped the Minister of Education, concentrate on more strategic issues. While the old Ministry of Education was oblivious to market forces and the business environment, the SEC is constantly trying to align its strategies to accommodate the change in the business environment.

Although cost was not an issue when the reform was introduced, proof from the annual budget show that the new educational privatised model did cut cost and that the budget in the next few years is expected to go down substantially. Although the researcher is not able

disclose the figures because of the sensitivity and confidentiality of the data, the researcher asserts that the budget for 2008-2009 shows the cost cutting advantage of the new model.

The reform has also encountered challenges. Policy changes have undermined key goals and reduced transparency. Also, because of the uniqueness of the model, decision-makers encountered a lot of challenges, most of which related to the corporate governance aspects which were not a priority in the initial stages. As problems emerged, more attention was given to corporate governance. Nonetheless, not involving stakeholders in the decision-making process still left some parents, managers and teachers feeling alienated.

For such a young reform, the policy changes that have directly affected the independent schools have been substantial. Many of the changes were motivated by important considerations that arose as the implementation process unfolded; even so, frequent policy changes produced a climate of uncertainty. The reform would benefit from greater stability in this regard. One suggestion for ensuring policy continuity is that a formal assessment of a policy's short and long-term effects on system performance be required before the policy is enacted.

One of the areas that saw many policy changes is financial management. Many rules that limited the old Ministry of Education system were bureaucratic but they have all been introduced to curb corruption. In independent schools, because operators or employees were caught in acts that involve fraud in one way or another, the SEC now require multiple signatures and reviews of purchases. Administrators are now required to verify purchases and audit inventories.

However, the researcher contends that independent schools allowed, to a degree, school operators to purchase supplies quickly and at low cost although some operators still complained that bureaucracy still exists and that they have to justify, in detail, changes in their purchasing strategy.

In conclusion, the reform has achieved important successes in its early years. The fundamental components and mechanisms have been put in place, and new independent schools have been opening every year. Independent schools have been showing clear progress in applying new student-centred curriculum and teaching methods. Early test score data from RAND's research indicate improved student outcomes overall, however international test scores did not necessarily reflect all of RAND's findings. The reform can definitely benefit from better corporate governance practices as it moves forward.

It seems that the system in independent schools matures after its first three years; the researcher found four year old independent schools to be more stable and perform better than both public schools and newly converted schools. Schools hence should be evaluated after sufficient time has passed for the system to mature. A detailed analysis using the information gained from the case studies placed against the COSO framework ensues.

Summary

Using a case by case analysis as well as a cross-case analysis, the researcher tried to establish an understanding of the development of the corporate governance system in Qatar's privatised model of public education. The reform managed to turn the education sector to a lean system that does not encourage waste. The SEC, with a flatter form of management, brought decision-makers closer to the action with several heads of institutes reporting back to

Minister of Education. Spreading and sharing the responsibility with the three heads of institute, helped the Minister of Education, concentrate on more strategic issues. While the old Ministry of Education was oblivious to market forces and the business environment, the SEC is constantly aligning its strategies to accommodate the change in the business environment. The Qatar K–12 education reform is expanding quickly; the academic year 2010-2011 will see the last public school turn independent. The case study revealed areas for improvement in the finance system to enrich its capacity to support the reform and its overall mission. While in the implementation phase the reform faced some challenges, because it is also about changing culture and attitudes, it has made significant improvements and is being given all the support from the top leadership in the country. Although cost was not an issue when the reform was introduced, proof from the annual budget showed that the new educational privatised model did cut costs and that the budget in the next few years is expected to go down substantially. Although the researcher is not able to disclose the figures because of the sensitivity and confidentiality of the data, the Budget for 2008-2009 shows that the new model has a cost cutting advantage. The reform had also encountered several challenges. Policy changes have undermined key goals and reduced transparency. Also, because of the uniqueness of the model of privatisation of public education introduced in Qatar, decision-makers encountered a lot of challenges, most of which related to the corporate governance aspects which were not a priority in the initial stages. As problems emerged, more attention was given to corporate governance. Nonetheless, not involving stakeholders in the decision-making process left some parents, managers and teachers feeling alienated. For such a young reform, the number of policy changes that have directly affected the Independent schools has been substantial. One of the areas that saw many policy changes is financial management. Independent schools have been showing clear progress in applying new student-centred curriculum and teaching methods. Early test score data from RAND's

research indicate improved student outcomes overall, however international test scores did not necessarily reflect all of RAND's findings. The reform can definitely benefit from better corporate governance practices as it moves forward.

Chapter X

Applying COSO

1. Introduction

To evaluate the effectiveness of the internal control developed by the SEC based on the COSO recognised framework described in previous chapters, the researcher examined the three dimensions of the model. The First dimension of the model covers the objectives of internal controls: operations, financial reporting and compliance. The researcher needed to seek answers for three questions:

- Is the entity running effectively?
- Is the financial reporting accurately performed?
- Does the organisation comply with all statutes?

The second COSO dimension covers organisations and activities within the company. Once the internal controls have been established, they apply to all organisational units and activities of the company. The third dimension covers specific activities which are required for effective internal controls (control environment, risk assessment, control activities, information and communication and monitoring).

The researcher laid the results from the case study next to the COSO attributes to check the effectiveness of internal controls of the SEC. Below is a sample from the control objectives found in the Finance Handbook given to independent schools.

Control Objective

To establish a coding structure that supports financial reporting and decision-making.

Major Controls

A. Business Manager Involved in Designing the Chart of Accounts/Coding Structure

To support the decision making, the Business Manager, along with assistance from additional resources, including the Board, management and outside consultants, should be involved from the outset in setting the chart of accounts/coding structure. The coding generally follows a four-digit general ledger account number followed by a two-digit department number, for grants or other funding to be accounted for separately. The structure is XXXX.XX and uses *Appendix A* as a guide.

B. Establishment of Control Accounts

In order to perform reconciliations, subsidiary account detail (e.g. A/R, A/P listing) is aggregated to General Ledger control accounts.

C. Use of Contra Accounts

If necessary, the accounting structure provides for offsetting contra accounts (e.g. an allowance for doubtful accounts) to adjust historical cost to current levels for financial reporting purposes.

General Ledger Activity

Control Objective

To ensure that all General Ledger entries are current, accurate and complete.

Major Controls

A. Timeliness of Entries

All entries are made soon after the underlying accounting event to ensure the financial records and reporting is current.

B. Support Documentation

All entries are supported by adequate documentation that clearly shows the justification and authorization for the transaction.

C. Audit Trail

A complete audit trail is maintained by the use of reference codes from source documentation through the books of original entry and General Ledger, to periodic reporting statements.

Procedures

1. Financial data on source documentation is verified against original documents (e.g., invoice, purchase order, etc.) by the Business Manager before entering into the accounting system.
2. Each entry in the accounting system is reviewed and approved by the Business Manager.
3. Provision is made for using recurring General Journal entries for certain transactions, such as recording the monthly portion of prepaid insurance.
4. Non-recurring entries, such as for correcting entries, recording accruals and recording non-cash transactions, are prepared as circumstances warrant and on a monthly basis.
5. All entries in the books of original entry (e.g., cash receipts journal and check book) are made soon after the accounting event from authorized forms, and are prepared and reviewed by qualified accounting personnel.
6. All General Journal entries are supported by General Journal Vouchers that have supporting documentation attached, and are approved by the Business Manager.

General Ledger Close-out

The researcher rated different departments within the SEC according to different COSO attributes, then an overall score was given, with ✓ meaning satisfactory levels, ✗ meaning unsatisfactory levels and ✓/✗ meaning somewhat satisfactory.

2. Control Environment

Figure 17: Control Environment



The control environment sets the tone of the organisation. It is the foundation for all other components of internal control, providing discipline and structure. The control environment element is a view of internal controls from the entity's perspective, including both the

environment it creates for business processes and controls internally, and the influences of its environment on its ability to create and maintain an efficient system of internal controls.

Some of the ways the control environment can be evaluated include:

- Communication and enforcement of integrity and ethical values
- Commitment to competence
- Participation of those charged with governance
- Management's philosophy and style
- Organisational structure
- Assignment of authority and responsibility
- Human resource policies and practices
- Industry factors

The researcher examined the findings from the case study against the above aspects, for example, under risks to integrity and ethical values for financial reporting practices, the researcher listed the following:

- Scandals in three independent schools were prompted by pressure to meet unrealistic performance targets, particularly for short term results and high performance-dependent rewards
- Excess hospitality is a problem, with different departments disagreeing on the definition of excess hospitality

Conflicts of interest, confidentiality, information and transparency are issues in this unit, with the following evidence:

- Manager XXX occupying the role of XXX in the organisation, has the necessary authority to commit the organisation to a particular transaction or activity.

The researcher studied the documentation of all transactions or activities to evaluate them against the delegation of authority attribute. Furthermore, documents were studied to check if the auditors were checking that the record of transactions and activities show compliance with the board's delegation of authority. The researcher also aimed to check whether the SEC guards the implementation of segregation of duties for, at least, the high-risk areas. The researcher also conducted further research to identify the risk of material misstatement occurring within the current entity and its environment. The pilot study was instrumental at this stage in that it highlighted the areas that needed more investigation and drew the attention of the researcher to responses from different key players that reflected conflict in regard to a function or relationship linked to an attribute of the COSO model.

Sample of Interview Questions on Integrity and Ethical Value Attribute

1- Does management set a tone of right and wrong including explicit guidance in this regard? Is this tone communicated and practised by executives throughout the organisation? Does management follow these ethical values when dealing with employees, suppliers, customers, investors, creditors, insurers, competitors, regulators and auditors?

2- Is there a code of conduct and other policies regarding acceptable business practices, conflicts of interest, or expected standards of ethical and moral behaviour?

3- Do all employees in the SEC understand what behaviour is acceptable and unacceptable under the SEC's code of conduct and know what the result of improper behaviour is? Are codes comprehensive and do they address conflicts of interest, illegal or other improper payments, anti-competitive guidelines and insider trading?

- 4- Are integrity and ethical values compromised sometimes by employees? Are employees aware of what is expected of them if they encounter improper behaviour?
- 5- Does management discuss the importance of high ethics and internal controls and are these discussed with new employees through workshops or orientations?
- 6- Does management remove incentives or temptations that might cause personnel to engage in unethical acts?
- 7- Does management take appropriate action when violations of the code of conduct take place? Are actual losses arising from violations of laws and regulations regularly identified, measured, and reported?
- 8- Do situations involving pressure to meet unrealistic targets exist; if yes, are they properly controlled?
- 9- Are individual compensation awards in line with the ethical values of the SEC, and foster an appropriate ethical atmosphere?
- 10- Does management monitor changes in significant laws and regulations that affect the SEC, and implement any appropriate changes in SEC policies or practices in a timely manner?
- 11- Are there periodic reports from executives and other employees concerning compliance with laws and regulations? Are deviations from established policies and procedures investigated and documented?
- 12- Does management provide guidance on the situations and frequency with which intervention of established controls may be needed? Is Management intervention of established controls documented and appropriately explained?

For each of the above questions the respondent was asked to describe specific activities, programmes or controls in place that satisfy the objective. For controls, the respondent was asked about the control design and the control owner. Finally, the respondent was asked to list deficiencies noted and whether there was a management action plan to address those deficiencies. Documents relating to this attribute were carefully examined and analysed, below is a sample SEC document relating to independent schools examined in regard to this attribute.

Organizational Conflict of Interest or Self-Dealing (Related Parties)

The independent school will follow applicable conflict of interest law and disclosure.

Additionally, it may not be operated for the benefit of an affiliated or unaffiliated organization or an individual in his or her own private capacity or individuals related to the independent school or members of its management, unless as a result of transactions for which:

(a) in the case of affiliated organizations or related individuals, the private benefit is considered merely incidental and the Board of Trustees has approved the same after full disclosure of all relevant details to the Board of Trustees, and (b) in the case of unaffiliated organizations or unrelated individuals, the benefit is granted on an arms-length basis. This private benefit preclusion will extend to:

A. Sale or exchange, or leasing, of property between the agency and an affiliated or unaffiliated organization or a private or related individual.

B. Lending of money or other extension of credit between an agency and an affiliated or unaffiliated organization or a private or related individual.

C. Furnishing of goods, services or facilities between the agency and an affiliated or unaffiliated organization or a private or related individual.

D. Payment of compensation, unless authorized by the Board of Trustees or its governing body, by the School to an affiliated or unaffiliated organization or a private or related individual.

E. Transfer to, use by, or for the benefit of an affiliated or unaffiliated organization or a private or related individual of the income or assets of the School.

Thus, the independent school will be guided by the principles of (a) avoidance of transactions with affiliated organizations and related individuals (or, if such cannot be avoided, only in cases of merely incidental benefit after full disclosure to and approval by the Board of Trustees) and (b) arms-length standards with all unaffiliated organizations and unrelated individuals. Related party transactions shall include transactions between a school and members of the board, management, contracted management organization, employees, related individuals and affiliated companies. Related individuals within the scope of this definition include spouses, parents, children, spouses of children, grandchildren, siblings, father in law, mother in law, sister in law and brother in law of a board member or school employee.

2.1 Commitment to Competence

Here are the focus points and objectives this attribute was tested for:

For this attribute, the researcher tested for focus points or objectives that satisfy this attribute.

The researcher conducted interviews and collected relevant data to verify whether SEC personnel have the competence and training necessary for their assigned duties and whether they are trained to understand other functions and the impact of their specific duties on other areas of the SEC. To verify if management provides personnel with access to training programmes on relevant topics, the researcher examined documentation from the professional

development department. It was also important to check if management possesses broad functional experience and if the management team comes from several functional areas rather than just education.

Furthermore, in exploring documentary evidence in regard to this attribute, the researcher looked at formal job descriptions and other documents that define tasks that comprise jobs, although such task defining documents existed, they were not effectively used.

In looking for more evidence in this regard the researcher interviewed employees from different departments of the SEC to determine whether management specified the level of competence needed for particular jobs, and translate the desired levels of competence into requisite knowledge and skills to help employees better understand their roles and furthermore, whether adequate staffing levels are maintained to effectively perform required tasks. Lastly, the researcher looked at documents relating to employees of the SEC to check if they have the requisite skill levels relative to the size of the entity and nature and complexity of activities and systems.

Sample of SEC Control Objectives

Control Objective

To establish a coding structure that supports financial reporting and decision-making.

Major Controls

A. Business Manager Involved in Designing the Chart of Accounts/Coding Structure

To support the decision making, the Business Manager, along with assistance from additional

resources, including the board, management and outside consultants, should be involved from the outset in setting the chart of accounts/coding structure. The coding generally follows a four-digit general ledger account number followed by a two-digit department number, for grants or other funding to be accounted for separately. The structure is XXXX.XX and uses...

B. Establishment of Control Accounts

In order to perform reconciliations, subsidiary account details (e.g. A/R, A/P listings) are aggregated to General Ledger control accounts.

C. Use of Contra Accounts

If necessary, the accounting structure provides for offsetting contra accounts (e.g. an allowance for doubtful accounts) to adjust historical cost to current levels for financial reporting purposes.

General Ledger Activity

Control Objective

To ensure that all General Ledger entries are current, accurate and complete.

Major Controls

A. Timeliness of Entries

All entries are made soon after the underlying accounting event to ensure the financial records and reporting is current.

B. Support Documentation

All entries are supported by adequate documentation that clearly shows the justification and authorization for the transaction.

C. Audit Trail

A complete audit trail is maintained by the use of reference codes from source documentation through the books of original entry and General Ledger, to periodic reporting statements.

Procedures

1. Financial data on source documentation is verified against original documents (e.g., invoice, purchase order, etc.) by the Business Manager before entering into the accounting system.
2. Each entry in the accounting system is reviewed and approved by the Business Manager.
3. Provision is made for using recurring General Journal entries for certain transactions, such as recording the monthly portion of prepaid insurance.
4. Non-recurring entries, such as for correcting entries, recording accruals and recording non-cash transactions, are prepared as circumstances warrant and on a monthly basis.
5. All entries in the books of original entry (e.g., cash receipts journal and cheque book.) are made soon after the accounting event from authorised forms, and are prepared and reviewed by qualified accounting personnel.
6. All General Journal entries are supported by General Journal Vouchers that have supporting documentation attached, and are approved by the Business Manager.

The overall rating for commitment to competence attribute is found below.

Commitment to Competence	
Previous experience with the entity indicates competence among the entity's officials and personnel	✓/✗
The entity developed formal or informal job descriptions or other means of defining tasks that make up a particular job	✓
The entity analyses the knowledge and skills needed to perform jobs adequately	✓/✗

The entity has an adequate process to recruit qualified people?	✓/✗
The governing board routinely provide educational and training opportunities for officials and employees	✓
Personnel are cross-trained to understand other functions and the impact of their specific duties on other areas of the company	✗

2.2 Board of Directors and Audit Committee

Being part of the board of the SEC, the researcher was in a position to request meetings with some board members. It is important to note that because the researcher is an insider and part of the elite, some answers by the respondents were challenged; respondents were asked to share evidence regarding some conclusions. A sample of the questions administered is found below.

Interview Questions Administered to Board of Directors and Audit Committee
<p>1- Does the governing board meet on a regular basis? Are they significantly involvement in the operations of the SEC?</p> <p>2- Are there regular meetings of the governing board to set policies and objectives and review the SEC's performance?</p> <p>3- Do governing board actions and resolutions demonstrate the board's awareness of applicable laws and regulations?</p> <p>4- Does the governing board review management's initiatives?</p> <p>5- Is there an internal audit function and are they independent from management?</p> <p>6- Has the governing board established advisory boards, committees, or other separate groups to oversee certain functions of the SEC?</p>

- 7- Does the governing board or audit committee supervise the financial reporting process and the entity's internal control structure effectively?
- 8- Is the governing board and audit committee notified in good time about improper acts?
- 9- Is the governing board presented with periodic financial and operational reports? Are these reports used in an effective way?

Below is the overall rating for this attribute.

Board committee exists. This independent governing body provides oversight for management's activities.	✓
Board committee is sufficient in subject matter and membership to adequately deal with important issues.	✗
A charter outlining the board's duties and responsibilities also exists.	✓
Board committee meets with internal auditors and external auditors to discuss the financial reporting process and the system of internal control.	✓
Board committee reviews the scope of activities of the internal and external auditors annually.	✓
A process exists for informing the board of significant issues.	✓
Information is communicated to the board in a timely manner.	✗
The compensation committee approves all management incentive plans tied to performance.	✓/✗

2.3 Management's Philosophy and Operating Style

For this attribute, the researcher examined management's analysis of the risks and potential benefits of ventures. The researcher also interviewed managers to check whether the turnover in management is monitored and the reasons for significant turnover are evaluated.

Being part of the managing team, the researcher could verify whether management exemplifies attitudes and actions reflecting a sound controlled environment and commitment to ethical values including financial reporting. The researcher had access to documents enabling the validation of this attribute and listing the accounting policies that best reflect the economic realities of the SEC; below is an overall rating relating to this attribute.

Management's Philosophy and Operating Style	
Management exemplifies attitudes and actions reflecting a sound control environment and commitment to ethical values including financial reporting	✓/✗
The entity's internal control objectives is documented	✓
There is a high personnel turnover in key functions at supervisory levels	✓/✗
Management responds to inappropriate actions such as excessive risk taking and other adverse conditions in a timely manner	✓/✗
Senior management maintains contact with and consistently emphasises appropriate behaviour to operating personnel	✓/✗

2.4 Organisational Structure

For this attribute, the researcher verified the conclusions regarding the organisational structure with managers of the SEC. One of the key informants was the Head of Research and Policy, sample questions administered to respondents relating to this attribute are found below.

Sample Interview Questions: Head of Research May 12 2008

1- Do executives clearly understand their responsibility and authority with regard to business

activities and how do they relate to the entity as a whole. Do executives possess the requisite experience and levels of knowledge to execute their positions properly?

2- Does the entity establish appropriate lines of reporting, giving consideration to its size and the nature of its activities?

3- Does the structure of the entity facilitate the flow of information to appropriate people in a timely manner, including reliable and timely disclosure of material information, monitoring the performance of the disclosure infrastructure and effective flows of material information to the group responsible?

4- Is the organisational structure so simple that it cannot adequately monitor the enterprise's activities or so complex that it inhibits the necessary flow of information?

4- Are Incompatible duties segregated (e.g., separation of accounting for and access to assets)?

5- Is there is an appropriate assignment of responsibility and delegation of authority to deal with organisational goals and objectives, operating functions and regulatory requirements?

For each above question, the respondent was asked to describe the control design, owner and procedures. The respondent was also asked to share documentations references. Lastly, the respondent listed deficiencies and shared his recommendations about addressing them. Below is a sample from the interview, it is important to note that the Head of the Research and Policy Unit was dissatisfied with his job and was notified about the intention to restructure the unit, which could mean that he might lose his job. However, the researcher checked the information below with other sources to verify the answers.

Part of an adapted text from an interview with the Head of Research

Q: What is your role in the SEC structure?

I was the Director of Research, Policies and Strategic Planning (before the restructuring) I

don't know what my role is now.

Q: What do you feel are the responsibilities of the Educational Institute and are they meeting their goals?

In addition to planning the network of schools, ensuring that every student has a place in a school, and institute for the four pillars of the initiative, with special focus on accountability at all levels.

The core responsibilities of the Education Institute are to

- Ensure that the achievements of student learning outcomes are measured against the national standards. The efforts of the institute should be focused towards reaching the targeted learning outcomes for every student in Qatar. This should include independent and private schools, with no discrimination in efforts to achieve learning outcomes.
- Ensure that the objectives of the education system are met through close monitoring of school practices. Develop and apply accountability frameworks.
- Ensure that schools are adopting suitable and tested practices for the achievement of learning outcomes.
- Review practices and disseminate the proven successful practices, and encourage other schools to benefit from them.
- Review continuously curriculum standards efforts to introduce 21st century literacy skills for meeting core academic requirements.
- Develop, establish and mentor a national train-the-trainer model. Develop a sustainable system to provide high quality professional development in 'best practices' for teachers and administrators working in schools and administer training.
- Assist schools in developing and applying strategies to recruit, induct, mentor and retain educators to serve schools for at least five years.
- Establish development frameworks to build national teacher and school

administrators' capacity.

- One major factor of success is that students are achieving international test scores. This is not achieved under the current administration of the institute; despite the available unlimited resources.

The above listed goals may be observed in the strategy of the Educational Institute; however, the actions to achieve them are not producing the required results. This is due to the absence of focus, follow-up, evaluation of practices and actions, accountability, and above all, a governance system. In addition, the style of management of the institute should be audited.

Q: What are the responsibilities of the Evaluation Institute and do they possess the tools to meet them?

Ensuring that the educational process is progressing steadily towards the achievement of student learning outcomes measured against the national and international standards.

- Rigorously monitoring the delivery of standards and results.
- Conducting continuous evaluation in schools: specific attention must be given to schools which are not producing good results.
- Identifying the cause and effect of low performance or achievement, initiating research within the SEC specialised entities to address those problems.
- Building local assessment and evaluation capacity at schools, school boards and national level.
- Continuously evaluate the national standards against international standards, evaluate all the components of the educational process and recommend actions.
- Build a localised bank of assessment and evaluation tools and reduce outsourcing of such services.

The evaluation institute is partially achieving those goals; however, it relies to a very high extent on outsourcing its activities. Despite the long years of experience, the institute is yet to build enough capacity or tools to respond to national needs. The processes adopted are very

expensive and they are not tuned to the local needs.

Q: What are the responsibilities of the Higher Education Institute and do they possess the tools to meet them?

The Higher Education Institute is not fulfilling its duties and hence not contributing effectively to the development of higher education. It has a limited role that is restricted to scholarships, guidance and financing students abroad is limiting. The Institute should have more involvement in developing a national strategy for higher education and observe the progress of higher education within the country.

Q: In regard to the control structure, do you feel that the finance, accounting and reporting structure is optimum, if not what structure would you like to see the SEC adopt?

Financial planning should be a major factor in the financial management system. Strategy should be the base for financial planning. Disbursement plans should be drafted and monitored against actions related to the strategic plan. Financing of projects, research and consulting services may be centralised under one specialised authority. The shortcomings are always in procedures and qualified services personnel. Auditing is not activated to a full extent; however, because of the lack of transparency in this regard, I feel the best person to ask is the Head of the Shared Services. Operators are complaining about the lack of financial freedom, They cannot give a raise to reward good performance and they cannot use the reserves in the budget to implement new projects, which are beneficial in their opinion to the school. I think a detailed financial plan based on the school strategy and objectives should be drafted at the beginning of the year. The lack or absence of transparency and weak monitoring of recruitment forces the administration to apply such rules; however, I think decision makers are seeking solutions gradually.

Q: What do you think of the communication and coordination between the three institutes and between your unit and the institutes?

a- There is too much individualism, Some directors consider the institute as a private affair and coordination is minimal. The Coordination between my unit and the three institutes was at a very low level. This is attributed to the fact that some directors will not accept advice or positive remarks; they will even deny other departments to practise their role through many

methods including the supply of information.

Q: What about the Supreme Education Council Members?

Answer is Confidential

Q: Do you think the Parents and Students understand their roles and responsibility in the new reform structure?

Parents surprisingly understand their roles and responsibilities in spite of the lack of transparency in some cases. I think parents are very eager for this reform to work, they want to see their children join Cornell and Carnegie Melon...etc., so they are doing a lot of research.

Q: Do you think employees and teachers in the SEC understand their roles and responsibilities in the new reform structure?

We are continuously training them, in my opinion there are still grey areas that need to be clarified.

Q: Do you feel the media understands its roles and responsibilities in the new reform structure?

The media has been following us every step of the way, It has been a bit critical but this is ok, we need them to highlight the deficiencies in the system.

Q: Are there more deficiencies noted in regard to the structure of the reform?

I think I have mentioned most.

Q: How do you think these deficiencies are addressed?

We are prioritising, so there are all being addressed but it takes time to find unprecedented solutions to such a revolutionary and unprecedented reform.

The overall rating for this attribute is found below.

Organisational Structure	
The unit has an organisational chart	✓
Lines of authority and responsibility are clearly defined	✓/✗
Management periodically evaluate the organisational structure	✗
Key department heads understand their responsibilities and have the required knowledge, experience and training to perform their duties	✓/✗

2.5 Assignment of Authority & Responsibility

The researcher used the data from the case study to determine if the SEC has a structure for assigning ownership of information including who is authorised to initiate or change transactions. In analysing the data the researcher also aimed to find out whether managers understand the concept and importance of internal controls, including the division of responsibility. Additionally, the written policies and procedures over key aspects of operations such as procurement were looked at with the aim of finding whether these policies provided for adequate segregation of duties in the performance of the function and also whether the governing board provided sufficient personnel to adequately comply with adopted policies and procedures.

For each function, the control owner and design as well as the procedures involved are explored, below is a sample of questions administered to a manager in Shared Services regarding the following question: *Does the Board of Directors and Audit Committee give adequate consideration to understanding how management identifies, monitors and controls business risks affecting the organisation?*

Does this control exist?	YES
Describe specific activities.	Regular reviewing of the objective/s
New/Changed in current year?	YES
Are controls properly designed?	YES
Control owner?	Board members/SEC Executive Committee members
Test procedures?	Monthly Meeting
Documentation reference?	Strategic plan of SEC
Test reference?	There are very few incidents of malfunctionality arising from this objective.
Describe specific activities, programmes or controls in place that satisfy the objective?	<ul style="list-style-type: none"> ▪ Board meetings ▪ Executive Committee meetings ▪ Weekly meeting of Education and Evaluation Institute. ▪ Yearly Checking of Annual Budget by SEC members- ▪ Monthly meeting of heads of institutes with Auditors, external and internal. ▪ Operators meeting with Education Institute head ▪ Annual Meeting of SEC management with parents and students
Are controls operating effectively?	YES
Describe the basis for effectiveness conclusion (including evidence of operation)?	There are very few deficiencies noted relating to this function
Are deficiencies noted (efficiency, financial reporting compliance)?	Yes, but not in a timely manner
Is there a management action plan to address deficiencies?	Yes, but not in a timely manner

The overall rating for this attribute is found below.

There is a written delegation of authority in the entity to identify the chain of command and reporting responsibility	✓/✗
Employees throughout the entity are assigned authority and responsibility related to their specific job functions.	✓
Job descriptions contain specific references to control-related responsibilities.	✗
Employees are empowered, when appropriate, to correct problems or implement improvements.	✓/✗
Responsibility and delegation of authority are assigned to deal with organisational goals and objectives, operating functions, and regulatory requirements, including information systems and authorisation for changes	✓/✗
There are policies and procedures for authorisation and approval of transactions	✓
The Board of Directors gives adequate consideration to understanding how management identifies, monitors and controls business risks affecting the organisation	✓/✗

Human Resources Policies and Procedures

Observation enabled the researcher to witness training programmes for managers as well as employees serving the system. The researcher noted the frequency of employees' evaluations and checked whether the system had the mechanisms in place to identify training needs and opportunities for improvement. Below is a sample of a document examined relating to this attribute, the full document is found in the appendix.

Sample Documentation SEC Internal Bylaws

Guiding Articles for the Personal Bylaws

Introduction

The following articles represent the mandatory rules, which the licensee shall incorporate into the independent school personnel bylaw. The following articles provide for the mandatory minimum rights and obligations of both the licensee and the employee.

The Education Institute will not approve personnel bylaws that conflict with the following guiding articles. Where there is a conflict between any of the provisions herein and the Labour Law, the provisions that are more beneficial for the employee shall prevail.⁶³

The overall rating for this attribute is found below.

Human Resources Policies and Procedures	
Management establishes and enforces standards for hiring the most qualified individuals, with emphasis on educational background, prior work experience, past accomplishments, and evidence of integrity and ethical behaviour	✓
Screening procedures, including background checks, are employed for job applicants, particularly for employees with access to assets susceptible to misappropriation	✓
Recruiting practices include formal, in-depth employment interviews and informative, insightful presentations on the entity's history, culture, and operating style	✗
Training policies communicate prospective roles and responsibilities and illustrate expected levels of performance and behaviour	✗
Job performance is periodically evaluated and reviewed with each employee	✗

⁶³ For full document see Appendix

Disciplinary actions send a message that violations of expected behaviour will not be tolerated	✓
An ongoing education process enables people to deal effectively with evolving business environments	✗

3. Risk Assessment

Figure 18: Risk Assessment



The risk assessment aspect refers to the entity's ability to properly assess risks and tone them down to an acceptable level using controls. The reason for performing risk assessment is to ensure that the risks relating to the stability and growth of the organisation are identified and analysed to ensure that the organisation's resources are applied to treatment of those risks. Business environment, staff turnover, product line enhancement, changes in market share can all influence the assessment of risk. The objective of risk assessment is relevant to achieving business objectives as well as objectives related to the preparation of reliable financial statements.

A risk assessment usually includes:

- Estimating the significance of a risk
- Assessing the likelihood and frequency of the risk occurring
- Consideration of how the risk should be managed

The researcher interviewed key decision makers, SEC managers and school operators to find out whether they thought the SEC made an effective effort to identify areas of risk. Further analysis of documentation, as well as direct observation, was aimed at exploring circumstances resulting from changes relating to the following themes:

- Changes in operating environment
- New personnel
- New or revamped information systems
- New information technology employed
- New business models, products or activities
- Corporate restructurings
- Compliance issues

The researcher looked for documented risk assessment and questions administered to managers of the SEC intended to help guide the researcher's efforts to identify areas of risk and whether management acknowledged and assessed them.

In conducting this part of the research, if the unit performed a risk assessment, the researcher looked for evidence regarding whether the risk assessment was comprehensive enough to:

- Analyse the objectives and functions of the unit by some type of rational approach, such as breaking down what the unit does into departments
- List the functions or activities within each department?
- List the people that are associated with each function or activity?
- Describe the risks and potential problems associated with each activity that has been reviewed?
- Identify the compensating controls that are in place?

- Evaluate The likelihood of a given risk occurring
- Provide for appropriate corrective action?

An overall rating relating to this aspect is found below.

Risk Identification and Management	
Management identifies risks related to each of the established objectives	✗/✓
Management has mechanisms in place to identify business risks resulting from entering new markets, lines of business or from offering new products and services	✗/✓
Management identifies financial reporting risks that result from operations or compliance with laws and regulations	✗/✓
There have not been financial reporting or disclosure related issues identified by internal or external auditors	✗
Management identifies fraud risk factors, including management override of controls	✗/✓
Risks are evaluated as part of the business planning process.	✗/✓
Senior management develops plans to mitigate significant identified risks.	✗/✓
The responsibilities and expectations for the entity's business activities and the entity's philosophy about identification and acceptance of business risk are clearly communicated to the executives in charge of separate functions	✗
Risks are reviewed periodically with the appropriate corporate governance functions	✗/✓
There are effective processes in place for sourcing, measuring and monitoring internal business risks.	✗/✓
The business planning process includes a broad spectrum of personnel with collective knowledge of all areas of the entity.	✓

The business planning process includes consideration of changes in the business environment, including the industry, competitors, the regulatory environment and customers.	✘/✓
Mechanisms exist to anticipate, identify, and react to routine events or activities that affect achievement of entity - or activity-level objectives.	✘/✓
Changes in risks are identified in a timely manner.	✘/✓
Changes are appropriately communicated to the proper level of management (depending on the significance).	✘/✓
Management has identified the resources needed to achieve the objectives and has plans to acquire the necessary resources.	✘/✓
Budgets and forecasts are updated throughout the year to reflect changing conditions such as changing market conditions and competing priorities, resource allocation. These changes are clearly documented to allow future reference as to the reason why change occurred.	✓

4. Control Activities

Figure 19: Control Activities



Control activities include the policies and procedures maintained by an organisation to address risk-prone areas like authorisations, reviews of operating performance, security of assets and segregation of duties. Controls activities can be either preventive or detective; each is necessary to an effective internal control system. Preventive controls focus on

preventing errors or exceptions while detective controls are designed to identify an error or exception after it has occurred. Therefore, detective controls are crucial in proving that the preventive controls are functioning well and preventing loss, an example of preventive controls is the segregation of duties, approvals and authorisations.

Controls are evaluated at three levels: design effectiveness, implementation and operational effectiveness. Design effectiveness relates to the ability of the control to mitigate risks and adequate controls over a certain business process or to ensure that policies are enforced within business processes. The control should be able to detect a material misstatement or error in a timely manner. The second level is whether the control has in fact been implemented. The third level is whether that control is actually performing as designed.

The researcher's aim in checking the findings from the case study against this aspect of COSO is to find whether there are sufficient controls that effectively mitigate the risk of a material misstatement in the financial statements to an acceptable level. The researcher also analysed documents relating to relevant aspects of the organisations such as reconciliation, asset security and segregation of duties. Additionally, the researcher also had to address a very important aspect that relates to this COSO function, fraud.

Fraud is the intentional perversion of truth in order to induce another to part with something of value or to surrender a legal right. In the business community, the primary goal of fraud is often monetary gain.

Fraud prevention programmes are crucial to establishing the right tone for an effective internal control framework. Furthermore, strong internal controls provide better opportunities to detect and prevent fraud. It is important that the researcher check whether management

has implemented formal communication mechanisms, internal controls, and oversight processes to effectively prevent or detect fraud.

A sample interview question regarding this attribute is found below.

1. Do Board members and senior executives demonstrate that they accept control responsibility, and not merely delegate that responsibility to financial and audit staff?
2. Does management clearly assign responsibilities for employee training and monitoring of internal controls?
3. Are periodic, systematic evaluations of control systems conducted and documented by personnel with appropriate responsibilities, experience, and knowledge?
4. Are control deficiencies reported to higher levels of management and corrected in a timely manner?
5. Are appropriate controls built in as new information systems are designed and implemented?
6. Are key risk-taking activities segregated from reconciliation activities?

Control Activities	
A formal fraud policy exists, which defines fraud and appropriate actions to be taken with respect to instances of fraud. The policy is formally communicated and available on the company intranet	✗
Management has established a formal anti-fraud programme, which outlines a process to identify the risk of fraud at both entity and process levels	✗/✓
Management reviews identified fraud risks with the audit committee and seeks guidance from the audit committee on other associated risks	✗/✓
Management makes changes to the organisation's processes to reduce or eliminate the risk of fraud	✗/✓
Critical controls are identified to adequately address fraud risks	✗/✓
Management and employees are required to participate in internal fraud	✗

communication programmes	
Communications to external parties regularly state the company's position on fraudulent activity and the potential consequences if fraud is detected	✓
Training regarding code of ethics exists and is effective	✗
Internal audit adequately addresses fraud risk in planning and executing the annual audit plan	✗/✓
Management provides the Board with the results of internal reviews of internal controls over financial reporting	✗/✓
A conflict of interest policy exists	✗/✓

Sample Document Al Watan Newspaper

Demand Grows for Independent Schools

Independent schools received a record number of applications from parents wanting to enrol their children. Many schools kept waiting lists as parents queued to exercise the chance to choose the school best able to educate their child. Classrooms in the independent schools are student-centred spaces filled with lively discussions, hands-on learning, and projects that nurture leadership, team-building, and research skills.

4.1 Control Objectives and Activities: Human Resource Management

This COSO-based guide provides a list of control objectives, potential risks, and points-of-focus for potential control activities for human resource management.

Objectives and risks relating to control activities for human resource management include:

Objectives	Point of Focus	
<p>1. Comply with applicable laws, regulations and company policies</p> <p>2. Maintain records that demonstrate compliance with applicable laws and regulations</p> <p>3. Maintain confidentiality of HR information</p> <p>4. Maintain employee turnover at an acceptable level</p> <p>5. Acquire sufficient number of appropriately qualified personnel</p> <p>6. Ensure employees receive adequate training and evaluation</p>	<ul style="list-style-type: none"> ▪ Management are unaware of legal and regulatory requirements ▪ HR personnel are aware of the records that must be retained to demonstrate compliance ▪ Records are not lost ▪ HR records are subject to proper security procedures ▪ HR personnel does not disclose confidential information ▪ Compensation and benefits are the same or more than offered by other companies ▪ Employees feel their efforts are noticed or appreciated ▪ Over- or under-qualified candidates are not hired ▪ There is enough qualified candidates ▪ Training requirements are adequately identified ▪ Staff are evaluated on a regular basis 	<p>✓</p> <p>✓</p> <p>✓/✗</p> <p>✓/✗</p> <p>✓</p> <p>✓/✗</p> <p>✓/✗</p> <p>✓/✗</p> <p>✓/✗</p> <p>✓</p>

5. Monitoring

Figure 20: Monitoring



Monitoring refers to the entity's ability to monitor the efficiency of controls as they operate daily. Monitoring provides information about potential and actual malfunction relating to a control system that could make it difficult for an organisation to accomplish its goals and thus jeopardise the effectiveness of the internal control system. Effective monitoring helps identify and correct control weaknesses before they affect the achievement of the organisation's objectives.

Some of the various ways in which controls over monitoring of control effectiveness could be evaluated include:

- Identifying and reporting deficiencies
- Assessing the quality of internal control performance over time
- Putting procedures in place to modify the control system when needed
- Ensuring effective management review of control system status
- Checking for the absence of monitoring systems, which tends to allow people to reduce vigilance on controls

- Utilising relevant external information or independent monitors
- Analysing control objectives and their related control activities
- Reviewing changes to controls since the date of the last report or within the last 12 months

The researcher looked at SEC's memos and minutes of meetings to check the efficiency of monitoring, also managers and employees were asked how the organisation is making sure that the objectives are being met and how practices and policies are aligned to respond to the changing environment. Basically the same questions relevant to the control environment attribute were asked again with a view to finding out how the company continues to monitor that function.

To check for Internal Audit Key Performance Indicators, the researcher interviewed members of the Audit Committee, see below.

Sample Interview Questions to a Member of the Internal Audit Committee

- Do Board members and senior executives set a day-in, day-out example of high integrity and ethical behaviour?
- Is there a written code of conduct for employees, and is it reinforced by training? (Top down communications, and requirements of periodic written statements of compliance from key employees)
- Are performance and incentive compensation targets reasonable and realistic, or do they create undue pressure on achievement of short-term results?
- Is it clear that any fraudulent financial reporting will not be tolerated?
- Are ethics woven into criteria that are used to evaluate individual and business unit performance?

- Does management react appropriately when receiving bad news from subordinates and business units?
- Does a process exist to resolve close ethical calls?
- Are business risks identified and candidly discussed with the Board of Directors?
- Is relevant and reliable internal and external information identified, compiled with, and communicated in a timely manner to those who are in a position to act?
- Are risks identified and analysed, and are sanctions readily taken to mitigate them?
- Are controls in place to assure that management decisions are properly carried out?
- Do senior and line management executives demonstrate that they accept control responsibility rather than just delegate the responsibility to financial and audit staff?
- Does management routinely monitor controls in the process of running the organisation's operations?
- Does management clearly assign responsibilities for training and monitoring of internal controls?
- Are periodic, systematic evaluations of control systems conducted and documented?
- Are such evaluations carried out by personnel with appropriate responsibilities, business experiences, and knowledge of the organisation's affairs?
- What criteria are used to evaluate controls?
- Are control deficiencies reported to upper management and corrected in a timely manner?
- Are appropriate controls built in as new systems are designed and brought on stream?
- Has the board recently reviewed the adequacy of the Audit Committee's written charter?
- Are Audit Committee members functioning and independent of management?

- Do audit committee members possess and appropriate mix of operational and financial control expertise?
- Does the audit committee understand and monitor the broad organisational control environment?
- Does the audit committee oversee appropriateness, relevance, reliability of operational and financial reporting to the board, as well as to investors and other stakeholders and external users?
- Does the audit committee oversee the existence of and compliance with ethical standards?
- Does the Audit Committee or full board have a meaningful but challenging relationship with independent external auditors, internal auditors, senior financial control executives, and key business-unit operating executives?
- Does internal auditing have the complete support of top management, the Audit Committee, and the Board of Directors?
- Has the written scope of internal auditing responsibilities been reviewed by the audit committee of adequacy?
- Is the organisational relationship between internal auditing and senior executives appropriate?
- Does internal auditing have and use open lines of communication and private access to all senior officers and audit committee?
- Are audit reports covering the right subjects, distributed to the right people, and acted upon in a timely manner?
- Do key audit executives possess an appropriate level of expertise?

Sample of SEC Document: Financial Monitoring in Independent Schools

In return for the funding provided by the Education Institute, schools are subject to a financial monitoring system. This section outlines the structure of the accounting and monitoring system and describes the reporting requirements. Sample forms and templates for required documents may be found in the Appendix.

There are three components to a financial monitoring system. First, there is *external monitoring* by certified accounting firms (hired by the Finance Office) in the form of annual audits. The second component is *regulatory monitoring* by the Finance Office to monitor school's financial performance during the year. The regulatory monitoring includes periodic reports and site visits. The third and final component is the schools' *internal monitoring* of their own financial performance. The three components are complements rather than substitutes in the monitoring process. Frequent oversight within the school (i.e. internal) ensures that finances are in the proper order prior to submission of regulatory reports to the Finance Office. Likewise, periodic reports to the Finance Office ensure that potential problems are identified and resolved prior to the annual audit.

Monitoring	
The entity has a recent internal control review?	✓
The entity has a recent external review by an external auditor or consultant?	✓
Internal and external auditor recommendations are reviewed by senior management.	✓
When a weakness is identified, a corrective action plan identifying steps to	✓

be taken to eliminate identified weaknesses is outlined	
The governing board makes it clear that managers are responsible for internal control and that they should monitor the effectiveness of control activities as part of their duties.	✘/✓
Operating reports are used to manage operations reconciled with data generated by the financial reporting system.	✘/✓
The entity has a process in place to ensure that data recorded by information and financial systems are periodically compared with physical assets and discrepancies examined.	✘/✓
Inventories, supplies, and other assets are checked regularly; differences between recorded and actual amounts are corrected; and the reasons for the discrepancies resolved.	✘
Responsibility for assets and resources has been assigned to responsible individuals.	✘/✓
Are relevant issues, information, and feedback concerning internal control raised at training seminars, planning sessions, and other meetings captured and used by management to address problems or strengthen the internal control structure?	✘/✓
Employee suggestions on internal control are considered and acted upon as appropriate.	✘/✓
The Governing Board and management encourage employees to identify internal control weaknesses and report them to the next supervisory level?	✘/✓
Employees are regularly asked to acknowledge whether they comply with the SEC's code of conduct.	✘/✓

6. Information and Communication

The information and communication aspect involves all the other four elements of the COSO framework. Information and communication includes the identification of operational and compliance information in a timely manner.

Figure 21: Information Communication



The information system was tested to see not only if it fulfilled the reliability attribute, but also if information is communicated in a timely manner to managers and decision makers. Some of the various ways, the researcher used, to evaluate information and communication risks include checking:

- The information system
- The financial reporting information
- The internal control information
- The internal communication
- The external communication

The researcher held interviews with different employees in all three institutes as well as in the information and communication department of the SEC to check if the monitoring of the internal control framework resulted in several communications. Firstly, the researcher

checked to see if the findings of monitoring (whether positive or negative) were reported to the process owner and senior management. Secondly, the researcher investigated to check if significant weaknesses detected in the internal controls framework were reported to both senior management and the Board; also if these weakness reports were accompanied by reporting of the short-term and long-term correctional actions taken.

Samples examined in regard to this attribute include the following:

Document from RAND Report

Recommendations

1- To improve transparency, we recommend that the new information system include improved longitudinal tracking mechanisms as well as introduce more uniform categorization of personnel and expenditures. The current reporting system is in the process of being replaced by a management information system; its design provides an opportunity to address the data issues identified in this study.

Questions regarding this attribute include:

COSO Attribute	Point of Focus/Control Objective	
Information Availability	Management monitors relevant external information and considers the impact on the entity.	✓
Information Availability	External information is obtained and provides management with necessary reports on the entity's performance relative to established entity-wide objectives.	✓
Information Availability	Internal information regarding financial results is generated by the entity's financial information systems and is reported regularly.	✓
Information Availability	Entity-wide operating results are reviewed and compared against budgets at regular intervals.	✓

COSO Attribute	Point of Focus/Control Objective	
Information Availability	The adequacy of the information technology structure is considered by senior management.	✓
Information Availability	Managers and other personnel have the required information, in sufficient detail, to carry out their responsibilities and there are mechanisms in place to ensure changing needs are met.	✗
Information Availability	Information systems provide management with necessary reports regarding the entity's performance relative to established objectives.	✓
Information Availability	The internal control environment at out-sourced service organisations have been documented and tested by an independent third party for the relevant functions.	✓
Information Availability	Timing of the documentation and testing performed by the independent third party (for out-sourced service providers) covers a significant portion of the year.	✓
Reliability of IT Systems	Management has a strategic plan for IT systems that are linked to the entity's overall strategies.	✓
Reliability of IT Systems	Procedures are in place to provide assurance that relevant information is identified, captured, processed and reported by IT systems in an appropriate and timely fashion.	✓
Reliability of IT Systems	Management adequately staffs and designs the IT department to support the entity's overall business objectives.	✓
Reliability of IT Systems	There are defined responsibilities for individuals in charge of implementing, documenting, testing, and approving changes to computer programs and systems.	✓
Reliability of IT Systems	There is a regular back-up of application programs and data files.	✗
Reliability of IT Systems	The entity has a disaster recovery plan in place that allows for the timely recovery of information. The disaster recovery plan is tested regularly and is updated as the business changes.	✗
Reliability of IT Systems	There is a high level of user satisfaction with the IT systems, including reliability and timeliness of reports.	✓/✗
Reliability of IT Systems	The adequacy of the information technology structure is considered by senior management during the annual budget process.	✓

COSO Attribute	Point of Focus/Control Objective	
Reliability of IT Systems	The company maintains a helpdesk, which is responsible for receiving, processing and monitoring the status of authorised requests for changes to reports, changes to software, new software, new hardware etc. The helpdesk is accessible to all employees throughout the company.	✓/✗
Communication	Employee duties and control responsibilities are timely and effectively communicated.	✓
Communication	Management performs timely and appropriate follow-up regarding communications received from customers, vendors, regulators and other external parties.	✓/✗
Communication	Communication across the organisation is adequate, complete and timely to enable people to perform their responsibilities effectively.	✓/✗
Communication	There is an established channel of communication for people to report suspected improprieties and management encourages employees to utilise such channels when necessary.	✓
Communication	Organisation charts have been developed for areas of the company related to financial reporting. These charts clearly delineate lines of authority and assist in ensuring that communication channels are effective.	✓
Communication	Management uses meetings and on-the-job supervision to communicate financial reporting and internal control matters.	✓
Communication	Reported problems are investigated in a timely manner and disciplinary actions are taken when necessary.	✓
Communication	Outside parties are made aware of the entity's ethical standards.	✓/✗
Communication	There are realistic mechanisms in place for employees to provide recommended improvements.	✓

Sample of Information and Communication Interview Questions' Log

Question	NO	YES	N/A	Additional Information
Does the governing board and managers				

Question	NO	YES	N/A	Additional Information
receive periodic written interim financial and operational reports?				
Does the governing board and managers believe that the information in these reports is provided at the right level of detail?				
Is the information available in a timely manner to allow effective monitoring of activities and transactions and to allow prompt reaction?				
Does management routinely monitor the quality of information communicated/reported as measured by such factors as appropriateness of content, timeliness, accuracy, and accessibility?				
Are there established channels for employees to communicate/ report suspected or perceived improprieties?				
Do personnel have a clear understanding of the types of problems that should be reported to management?				
Have employees' specific duties been clearly communicated to them and they understand the relevant aspects of internal control, how their work fits into it, and how their work relates to the work of others?				
Has acceptable behaviour versus unacceptable behaviour and the consequences of improper conduct been clearly communicated to all employees?				
Do employees have a means of communicating information upstream within the entity through someone other than a direct supervisor?				

Question	NO	YES	N/A	Additional Information
Has the governing board/upper management communicated to employees that there will be no reprisals for reporting adverse information, improper conduct, or circumvention of internal control activities?				
Are there mechanisms in place for employees to recommend improvements in operations? Is management receptive to constructive suggestions?				
Has the entity informed outside parties (e.g., vendors) of the entity's ethical standards and also understand that improper actions, such as improper billings, kickbacks, or other improper payments, will not be tolerated?				
Are complaints from external sources (vendors, taxpayers) reviewed at an appropriate management level since they can point out control problems?				
Does the governing board make certain that the advice and recommendations of external auditors are fully considered and that actions are implemented to correct any problems or weaknesses they identify?				

Information and Communication Questionnaire				
Concern	Yes	No	N/A	Additional Information

Information and Communication Questionnaire				
Concern	Yes	No	N/A	Additional Information
Pertinent information is identified, captured, and distributed to the right people in sufficient detail, in the right form, and at the appropriate time to enable them to carry out their duties and responsibilities efficiently and effectively.				
<ul style="list-style-type: none"> Does the governing board and managers receive periodic written interim financial and operational reports? 				
<ul style="list-style-type: none"> Does the governing board and managers believe that the information in these reports is provided at the right level of detail? 				
<ul style="list-style-type: none"> Is the information available in a timely manner to allow effective monitoring of activities and transactions and to allow prompt reaction? 				
<ul style="list-style-type: none"> Does management routinely monitor the quality of information communicated/reported as measured by such factors as appropriateness of content, timeliness, accuracy, and 				

Information and Communication Questionnaire				
Concern	Yes	No	N/A	Additional Information
accessibility?				
Management ensures that effective communications occur internally.				
<ul style="list-style-type: none"> Are there established channels for employees to communicate/ report suspected or perceived improprieties? 				
<ul style="list-style-type: none"> Do personnel have a clear understanding of the types of problems that should be reported to management? 				
<ul style="list-style-type: none"> Have employees' specific duties been clearly communicated to them and they understand the relevant aspects of internal control, how their work fits into it, and how their work relates to the work of others? 				
<ul style="list-style-type: none"> Has acceptable behaviour versus unacceptable behaviour and the consequences of improper conduct been clearly communicated to all employees? 				
<ul style="list-style-type: none"> Do employees have a means of communicating information upstream within the entity through someone other than a direct 				

Information and Communication Questionnaire				
Concern	Yes	No	N/A	Additional Information
supervisor?				
<ul style="list-style-type: none"> Has the governing board/upper management communicated to employees that there will be no reprisals for reporting adverse information, improper conduct, or circumvention of internal control activities? 				
<ul style="list-style-type: none"> Are there mechanisms in place for employees to recommend improvements in operations? Is management receptive to constructive suggestions? 				
Management ensures that effective communications occur externally.				
<ul style="list-style-type: none"> Has the entity informed outside parties of the entity's ethical standards and also understand that improper actions, such as improper billings, kickbacks, or other improper payments, will not be tolerated? 				
<ul style="list-style-type: none"> Are complaints from external sources reviewed at an appropriate management level since they can point out control problems? 				

Information and Communication Questionnaire				
Concern	Yes	No	N/A	Additional Information
<ul style="list-style-type: none"> Does the governing board make certain that the advice and recommendations of external auditors are fully considered and that actions are implemented to correct any problems or weaknesses they identify? 				

7. Findings

7.1 Control Environment Results

Management of SEC possesses broad functional experience. Formal job descriptions exist, they contain specific references to control-related responsibilities; however, they are not effectively used.

Findings suggest that top down communications, and requirements for periodic written statements of compliance from key employees in the SEC are at times lacking. Board members and senior executives do not receive enough internal and external information from accounting and other information systems to make informed and timely decisions.

Although there is a written code of conduct for employees, it is not reinforced by training and ethics are not woven into criteria that are used to evaluate individual and business unit

performance, the researcher contends. Nonetheless, management react appropriately upon receiving bad news from subordinates and business units.

The SEC makes it obvious to all stakeholders that fraudulent financial reporting at any level and in any form will not be tolerated; however, some incidents have surfaced in relation to financial fraud since the introduction of the reform and were dealt with. Accordingly, new controls were put in place to prevent such incidents from happening again. The procedure used is more reactive than preventive, the researcher contends. When instances of noncompliance are reported, board members and senior executives take appropriate action; nonetheless, effectiveness of action is not first ensured through testing.

Performance and incentive compensation targets are reasonable and realistic in regard to management in the SEC; however, operators and teachers in independent schools complain about being under paid in comparison with other sectors.

The importance of high ethics and internal controls is not always discussed with newly hired employees through orientations or interviews; however, top executives and management continually demonstrate, through words a commitment to high ethical standards; nevertheless, they do not always follow it through actions. The researcher contends that because of the large scale reform, executives have a lot to deal with and ethical standards sometimes take the back seat to more pressing issues.

Management continue to remove incentives or temptations that might cause stakeholders to engage in dishonest or unethical acts as they emerge, new laws have been introduced to safeguard against some of the temptations. Therefore, management monitors some

departures from approved policies and procedures or violations of the code of conduct and takes appropriate disciplinary action; however, other cases go unnoticed.

Codes address some but not all conflicts of interest. Some illegal or other improper payments, anti-competitive guidelines and insider trading have been reported. Codes are periodically acknowledged by all stakeholders. Situations involving pressure to meet unrealistic targets exist yet are in most cases properly controlled, particularly for short-term results.

The SEC monitors changes in significant laws and regulations that affect the business environment but at times fails to implement appropriate changes in its policies or business practices in a timely manner. A register and record of complaints in each institute/school is maintained regarding significant laws with which the entity is required to comply. Periodic representation is obtained from executives and other employees concerning compliance with laws and regulations. Actual losses arising from violations of laws and regulations are not always identified, measured, and reported.

Management does not always provide guidance on the situations and frequency with which intervention of established controls may be needed and management intervention in established controls is at times not documented and appropriately explained. However, deviations from established policies and procedures are investigated and documented.

Commitment to Competence Results

- Personnel do not always have the competence and training necessary for their assigned duties, additionally, they are not all across-trained to understand other functions and the impact of their specific duties on other areas of the SEC
- Management provides personnel with access to training programmes on relevant topics; however, results are not checked for efficiency of programmes.
- Formal job descriptions or other means of defining tasks that comprise particular jobs exist but are not effectively used.
- Management does not specify enough the level of competence needed for particular jobs, and translate the desired levels of competence into requisite knowledge and skills.
- Adequate staffing levels are maintained to effectively perform required tasks.

Board of Directors and Audit Committee Results

- The researcher contends that board committees exist. Evidence from documents and interviews show that existing committees are sufficient in subject matter to adequately deal with important issues.
- However, the Executive Committee needs to meet with the Chief Accounting Officer, internal auditors and external auditors more often to discuss the reasonableness of the financial reporting process, system of internal control, significant comments and recommendations, and management's performance
- The Committee reviews the scope of activities of the internal and external auditors at least annually. Both the Education and Evaluation Institute have recruited world

renowned auditing companies, both external and internal practices support the system and are prepared through a process to inform the board of significant issues.

- Information is not always communicated to the board in a timely manner.
- The Compensation Committee approves all management incentive plans tied to performance; however, this is not clearly communicated to all stakeholders.

Management's Philosophy & Operating Style Results

- Management analyses the risks and potential benefits of ventures.
- Turnover in management or supervisory personnel is monitored however; the reasons for significant turnover are not adequately evaluated.
- Senior management consistently emphasises appropriate behaviour to operating personnel; however, such behaviour is not always maintained by management.
- Management adopts accounting policies that best reflect the economic realities of the business.
- Management has established procedures to prevent unauthorised access to, or destruction of, documents, records, and assets.

Results Organisational Structure

- Although most executives possess adequate experience and levels of knowledge to properly execute their positions, they do not always clearly understand their responsibilities and authority with regard to business activities and how they relate to the entity as a whole.
- The entity does not establish satisfactory lines of reporting, giving consideration to its size and the nature of its activities.
- The structure of the entity does not always facilitate the flow of information to appropriate people in a timely manner, including reliable and timely disclosure of

material information, monitoring the performance of the disclosure infrastructure and effective flows of material information to the group responsible.

- Incompatible duties are adequately segregated as the board continues to monitor this attribute.

Assignment of Authority & Responsibility Results

- There is a structure for assigning ownership of information including who is authorised to initiate or change transactions.
- Not all employees are assigned authority and responsibilities related to their specific job functions.
- Job descriptions do not always contain specific references to control-related responsibilities.
- Some employees, who are not quite as familiar as others are with the reform, are not always empowered to correct problems or implement improvements.
- Responsibility and delegation of authority are not adequately assigned to deal with organisational goals and objectives, operating functions, and regulatory requirements, including information systems and authorisation for changes.
- There are policies and procedures for authorisation and approval of transactions.
- The Board of Directors and Audit Committee do not give adequate consideration to understanding how management identifies, monitors and controls business strategic, financial and operational risks affecting the organisation.

Human Resources Policies and Procedures Results

- Management establishes and enforces standards for hiring the most qualified individuals, with emphasis on educational background, prior work experience, past accomplishments, and evidence of integrity and ethical behaviour.

- Screening procedures, including background checks, are not always employed for job applicants, particularly for employees with access to assets susceptible to misappropriation.
- Recruiting practices do not always include formal, in-depth employment interviews and informative, insightful presentations on the entity's history, culture, and operating style.
- Training policies do not always communicate prospective roles and responsibilities and illustrate expected levels of performance and behaviour.
- Job performance is not periodically evaluated and reviewed with each employee.
- An ongoing education process that enables people to deal effectively with evolving business environments does not exist in all departments.

7.2 Risk Assessment Results

The board and management do not involve auditors and other internal control experts in the risk assessment process; therefore, business risks associated with new personnel and new expanding lines of activities are not always identified and candidly discussed with the Board of Directors.

The business planning process includes a broad spectrum of personnel with collective knowledge of all areas of the entity. It also includes adequate consideration of changes in the business environment, including the industry, the regulatory environment and customers. However, mechanisms do not always exist to anticipate, identify, and react to routine events or activities that affect achievement of entity or activity-level objectives.

Moreover, management does not always discuss and appropriately consider control issues when introducing new initiatives including the personnel who are competent and knowledgeable to manage current and new business activities.

Management does not always identify financial reporting risks, there have been financial reporting or disclosure related issues identified by internal or external auditors yet they are few. Similarly, management does not always identify fraud risk factors, including management override of controls and its influence over the financial reporting process.

The responsibilities and expectations for the SEC's business activities and the SEC's philosophy about identification and acceptance of business risks are not clearly communicated to the executives in charge of separate functions. Therefore, risks are not reviewed periodically with the appropriate corporate governance functions such as executive management, the Audit Committee, and legal bodies.

7.3 Control Activities Results

A positive workplace environment exists among SEC management and employees, which minimises employees' sense of feeling abused, threatened, or ignored; however, operators complained of being threatened and ignored by top management.

Management does not consider the following activities related to information system fraud risk:

- Consider information technology in fraud risk assessment
- Maintain adequate security and access controls
- Employ information technology to prevent and detect fraud

- Have the ability to investigate computer misuse

A conflict of interest policy exists regarding independence between employees and suppliers.

There was only one investigation observed by the researcher in violation of this policy:

Effective policies exist that minimise yet do not eliminate the chance of hiring or promoting individuals with low levels of honesty, especially for positions of trust.

A formal fraud policy exists, which defines fraud and appropriate actions to be taken with respect to instances of fraud. The policy is not always communicated to all stakeholders. Also, new fraud techniques are still emerging and because of the uniqueness of the model, improvised ways to deal with fraud are constantly being introduced by management. For example, some operators were found to hire non Qatari nationals as managers when in the contract they are employed as teachers.⁶⁴

The SEC reacts to and deals with acts of fraud, or suspected fraud, in a manner that sends a strong message throughout the organisation that helps reduce the likelihood of future incidents. Licenses were removed from five schools in 2008 and four schools in 2010, but as mentioned earlier the strategy is more reactive than preventive.

Management is still enhancing its anti-fraud programme, which outlines a process to identify and evaluate the risk of fraud at both entity and process levels hence consideration of potential fraud schemes and scenarios or different frauds such as fraudulent financial

⁶⁴ In September 2010 to boost Qatarisation efforts, the SEC prohibited the hiring of non Qataris to work in managerial positions in independent schools.

reporting, misappropriation of assets, unauthorised or improper receipts and expenditures, and fraud by senior management is still being revised.

Management considers some business units in the fraud risk assessment but not all. Management does not always review identified fraud risks with the Audit Committee and seeks guidance from the Audit Committee on other associated risks. However, on-going internal fraud communication programmes (e.g., training seminars and conferences) do not exist and management and employees are not required to participate in events as appropriate. Communications to external parties regularly state the organisation's position on fraudulent activity and the potential consequences if fraud is detected. Training regarding code of ethics and other fraud areas is not very effective.

The Audit Committee or Board of Directors evaluates management's identification of fraud risks and implementation of antifraud measures. Internal Audit adequately addresses fraud risk in planning and executing the annual audit plan. Internal auditors examine and evaluate the adequacy of internal controls designed to reduce fraud risk. However, because the model is unprecedented there is a need to conduct proactive auditing to search for corruption and misappropriation of assets, and financial statement fraud.

The Internal Audit department does not include knowledgeable and experienced fraud professionals. Management does not continually monitor the operation of internal controls designed to mitigate the risk of fraud. Moreover, management does not always report the results of internal reviews of internal controls over financial reporting, including noted instances of fraud, to the Audit Committee and external auditors.

7.4 Monitoring Results

SEC has a policy on activities to monitor the effectiveness of internal controls in the ordinary course of operations. These include regular management and supervisory activities, comparisons, reconciliations and other routine actions; however, this policy is not very efficient. Evaluations of internal controls are performed by internal audit and controls addressing higher priority risk areas tend to be evaluated more often. Managers are not always held accountable if they do not effectively follow up on control weaknesses.

In testing the effectiveness of monitoring, the researcher verified that monitoring does combine direct and indirect observations. Although it provides objective measures; however, it does not always use knowledgeable evaluators; the people who evaluate the internal control mechanism by monitoring are not always familiar with the underlying processes. Nonetheless, the monitoring process results in useful output and the scope and frequency of monitoring is not overly rigid.

The Audit Committee is used to review of the annual reports and other financial information distributed externally, including accounting policies to ensure compliance with statutory standards and generally accepted accounting principles as well as monitoring the corporate risk management and internal audit programme and processes. It also reviews including compliance to assess whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. They also review the nomination and performance of the external auditor to monitor the establishment and maintenance of the internal control framework and the appropriate ethical standards in regard to addressing any matters outstanding with auditors, financial institutions and other regulatory bodies.

The audit personnel possess an appropriate level of expertise and they have the support of board members and senior executives. They provide the board with audit reports covering the right subjects; however, those are not always distributed to the right people in a timely manner.

7.5 Information and Communication Results

There is a strategic plan for IT systems which are linked to the entity's overall strategies and procedures are in place to provide assurance that relevant information is identified, captured, processed and reported by IT systems in an appropriate and timely fashion. Management adequately staffs and designs the IT department to support the entity's overall business objectives. There are defined responsibilities for individuals in charge of implementing, documenting, testing, and approving changes to computer programs and systems. There is a high level of user satisfaction with the IT systems, including reliability and timeliness of reports. Consequently, managers and other personnel have the required information, in sufficient detail, to carry out their responsibilities and there are mechanisms in place to ensure changing needs are met. However, the information is not always translated into policies and activities that support the organisations goals. Additionally, not all entities have a disaster recovery plan in place that allows for the timely recovery of information.

The SEC maintains a department, which is responsible for receiving, processing and monitoring the status of authorised requests for changes to reports, changes to software, new software and hardware and such like. The department is accessible to all employees throughout the company.

Management does not perform timely and appropriate follow-up regarding communications received from parents, operators, regulators and other external parties. Communication

across the organisation is inadequate and does not enable people to perform their responsibilities effectively.

Management attempts to monitor relevant external information and considers the impact on the entity. However, the researcher found problems relating to the communication system that can seriously jeopardise the efforts to move forward.

There is no established channel of communication for people to report suspected improprieties and management encourages employees to utilise such channels when necessary. Moreover, there are not enough mechanisms in place for employees to provide recommended improvements.

Management uses meetings and on-the-job supervision to communicate financial reporting and internal control matters. However, organisation charts have not been developed for areas of the company related to financial reporting and which delineate lines of authority and assist in ensuring that communication channels are effective. Nonetheless, in regard to communication, reported problems are investigated in a timely manner and disciplinary actions are taken when necessary.

8. Updated Literature

During the last stages of the research, surprises regarding literature review occurred. Because the SEC improvised new ways to adapt the corporate governance model of privatised education, the researcher felt a need to review literature that relates to improvisation. Similarly, more literature reviews relating to privatisation and elite research were undertaken.

9. Privatisation

Most of the literature on corporate governance considers that corporate ownership structure has a significant effect on corporate governance and performance. Following the early work by Berle and Means (1932), literature has focused on the advantages of ownership concentration. The main concern was the cost of the separation of ownership and control, or the agency costs (Jensen and Meckling, 1976; Fama and Jensen, 1983). It is thought that dispersed ownership in large firms increases the principal-agent problem due to asymmetric information and uncertainty. Because the contracts between managers and shareholders are unavoidably incomplete (future contingencies are hard to describe), shareholders must monitor managers. There is a widespread consensus that a higher degree of control by an external shareholder enhances productivity performance: more monitoring presumably increases productivity (Shleifer and Vishny, 1986). When the equity is widely dispersed, shareholders do not have appropriate incentives to monitor managers who, in turn, can expropriate investors and maximise their own utility instead of maximising shareholder value. Concentrated ownership in the hands of outsiders is also often advocated on the grounds that it facilitates the provision of capital.

However, researchers contend that privatisation brings about significant and positive changes in firms' behaviour (Frydman et al., 1999; Grosfeld and Nivet, 1999). If the impact of privatisation and ownership structure on firm performance is difficult to identify, it is not only because of the problem of firm heterogeneity. Another problem is the issue of complementarity. There is an increasingly wide consensus that in order to be effective, privatisation requires appropriate institutional reform. The experience of transition shows indeed that the effect of privatisation depends on a number of factors characterising firm environment. It appears that strong complementarities exist between privatisation and the

quality of business environment, determined by such factors as institutional infrastructure development of financial markets; degree of product market competition and macroeconomic stability. It has also been noted that in countries with weak institutional environment, privatisation may not bring about expected effects. (Djankov and Murrell, 2000). A recent study of firm performance in transition (Grosfeld and Tressel, 2002) provides evidence of complementarity between product market competition and ownership concentration. The impact of product market competition depends on the ownership structure of the firm. Competition has no significant impact on productivity growth in firms with poor governance; it has a significant and positive effect in the case of firms with good corporate governance. So, competitive pressure did not compensate for the weakness of corporate governance mechanisms. Therefore, competition and corporate governance appears as complements rather than substitutes. This result can be considered as evidence that competition policies and ownership changes should be promoted simultaneously in the new educational reform attempted by the government of Qatar. The transformation strategy focusing solely on competition may not be successful if it is not accompanied by efficient ownership changes. Hence, in the case of Qatar's reform in education, it is not enough that privatisation is introduced in the system but also good corporate governance practices have to be implemented for the reform to be effective.

The World Bank asserts that unless developing countries embrace a corporate governance perspective, privatisation is unlikely to provide the benefits of improved performance with accountability. A report from the World Bank suggests that experiments in privatising enterprises in transition economies abound, from: extensive efforts at sales to strategic owners (as in Estonia and Hungary); to programmes based primarily on insider buyouts (as in Russia and Slovenia); to innovative mass privatisation programmes involving the creation of large

and powerful new financial intermediaries (as in the Czech and Slovak republics and Poland). Each approach has inherent strengths and risks. However, if the objectives are to sever the links between the state and the enterprises, to school the population in market basics, and to foster further ownership change, the initial weight of evidence seems to favour significant reliance on voucher privatisation, especially given the difficulty most countries have finding willing cash investors.⁶⁵

Nonetheless, regarding the applicability of Qatar's educational reform, the researcher contends that the privatisation of public education might not work in every context and that different environments might need adjustments to the model or even a new model in the delivery of public education. Most of the empirical work on the relationship between ownership and firm performance supposes that there is a link between ownership and firm performance, so it considers ownership as an exogenous factor and analyses the differences in performance of firms with different ownership concentration and with different types of owners. There is, however, another stance by Demsetz (1983) and Demsetz and Lehn (1985), which has questioned this hypothesis; ownership structure, instead of being considered as exogenous, is rather viewed as endogenously determined. Firms have different characteristics, they are subject to different constraints, and operate in different environments with different types of competitive pressures. Consequently, the optimal ownership structure varies across firms and may be considered as an equilibrium solution responding to all these factors and constraints. Such a perspective can be traced back to Coase who contends that the distribution of property rights has no effect on economic efficiency, provided they are clearly defined and there are no transaction costs.

⁶⁵ In Search Of Owners: Privatisation and Corporate Governance in Transition Economies Cheryl W. Gray
World Bank Research *Observer* .1996; 11: 179-197

10. Education and Privatisation

Attempts to decentralise education have reaped good results in some countries like El Salvador. Decentralisation and privatisation policies have produced multiple results. In the search for a better education system, these policies have not only given the Salvadoran government new ways to exert control over the education system but also added new problems and challenges. There may never be a perfect policy to satisfactorily solve all weaknesses within an education system; but education advocates and policymakers should always be committed to reviewing existing practices and improving them.

Similarly, recent education reforms in many countries have sought to dismantle centralised educational bureaucracies to create systems that emphasise parental choice and competition between schools, thereby creating quasi-markets in educational services. In addition to this widespread marketisation of public education systems, publicly financed and provided education services have been privatised.

Supporters of charter schools argue that they introduce learning improvements because they are free of school bureaucracies and union contracts. However, this claim has been challenged. In this research Ministry schools out-performed independent school in some subjects. It seems that bureaucracy and union contracts have not been the cause of students' low performance, at least on average. Bureaucratic rules probably support as well as depress student achievement, just as the absence of these rules do. A completely unregulated environment can harm student achievement, just as an overly regulated environment can. However, in Qatar's case study, it is too early to judge students' performance in independent schools as the reform is in its early stages and students as well as teachers and administrators need time to adjust to the new system.

There are also important conclusions regarding the privatised public education setting. First, the evidence available shows that independent schools do offer a better learning environment than regular public schools do. It seems therefore that charter schools are likely to play a large role in reforming public education as a whole.

10.1 Economic Implications

The economic effects of privatisation programmes will depend on the scale of the reform. An education voucher programme such as the one that was introduced in Qatar in 2008 will be considerably more expensive and may result in considerable re-organisational costs. These costs have been investigated for the United States by Levin and Driver (1997) who estimate that the total public sector education costs from a universal voucher system would rise by approximately 27 per cent. These additional costs would be incurred through two major and three minor additional costs. The first major cost is that of accommodating students who were previously in private schools; these private school students would now be eligible for voucher funds. Not all schools would accept the voucher, and not all students would redeem the voucher, but a large proportion of all private school students would. State costs would therefore rise by the number of students who took the voucher, multiplied by the value of the voucher. For many countries, where the proportion of private school students is over 5 per cent, this would be a major cost of introducing a universal voucher scheme. The second major cost is that of transportation, in order to ensure that students are given choices that are feasible, transport to and from various schools would need to be offered. This additional cost arises because students would now be expected, or even encouraged, to choose schools outside their neighbourhood. Of course, in many developing economies, transportation in rural areas is not available and, given the sparse populations, these areas will have very little choice of schools.

The three minor supplementary costs that need to be considered are as follows: One is the additional record-keeping and monitoring to ensure that students who should legitimately receive a voucher do so, and that there are no fraudulent claims for the voucher. The second is the need for information about the availability of schools that will accept vouchers. The third extra cost is the adjudication of cases where the voucher terms are unclear, or where there are disputes between schools and between students. A final cost is the restructuring of the education system prior to privatisation. For example, if a private company is contracted to take over the provision of a specific service to the school (such as capital improvements), then it may demand that the in-house resources be reorganised first. One example of this is the aversion that private companies have to taking over staff who work under union contracts. These private companies will want to have full control over who is employed, how many employees there are, and how much these employees should be paid.

Moreover, privatisation may change the flow of funds to the government, both in the short and long term. In some cases, privatisation involves the transfer of assets from government agencies to private companies. In the short run, such transfers may raise revenues for the government. However, these gains in revenues must be balanced by the commitment made by the government to provide free, universal education in subsequent years. Ultimately, privatisation is seen by some as just an exchange of assets, and not an increase in revenues. Also, the burden of costs and the receipt of revenues may vary between the different levels of the education system: A voucher scheme such as the one implemented in Qatar, for instance, would need to be highly decentralised, flows of funds would be allocated to lower levels within the education system.

Potential efficiency gains from privatisation will depend on how the policy reform is implemented. The important factors here are how the service is priced. So, for a reform to

liberalise the provision of schools, those planning the reform would need to decide what amount of funding would be available to the new providers, and on what terms. In the United States case of charter school reform, new charter schools receive funding per pupil, these schools must find additional funds for capital expenses. This puts these charter schools at an economic disadvantage, but it reduces the risk of the public sector having to over-pay for the service. In Qatar, independent schools cannot charge extra fees for meals and parents cannot be approached for contributions.

Also, the planner needs to decide the length of the contract: while public schools are on open contracts, many United States charter schools are on three or five-year contracts. Making the contract time-contingent reduces the risk to the planner if the private provider is worse than the existing public schools, then the contract can be terminated but it also raises uncertainty for the private providers. This uncertainty is likely to be reflected partly in the price that the private provider charges the planner.

As a general statement, when deciding on the price of privatisation, all terms of the “social contract” must be declared simultaneously, so that the service can be appropriately valued. A thorough valuation of the service should be undertaken. In the case of education, schools may be expected to raise test scores, but also inculcate social skills to students. The extent of these expectations needs to be written into the contract. Fundamentally, the economic criterion for deciding on privatisation is the present value of aggregate net benefits to consumers. Yet, if there are efficiency gains to be obtained from privatisation, it is to be expected that private providers would make a profit from entering the schooling market. Although news about these profits may prompt opposition from local community groups, at least some of these profits provide the necessary motivation for starting a new school.

In Qatar's case the fact that the SEC introduced new restricting laws that prevent operators from using the surplus or seeking to make more profits, may prevent operators from hiring incompetent cheap labour in the hope for more surplus, however, the restrictions some argue go against the principles of the privatised educational model that the reform calls for.

The economic gains from privatisation will depend on how many new operators are willing to start independent schools. Privatisation will only be possible if there are new private providers of schooling. Educational planners will have a critical role in the encouragement of new schooling options. One important decision is whether to allow private schools that have a religious orientation to receive public funds. In Qatar all independent schools are required to teach Islamic studies, however many families enrol their children in religious schools because Islamic studies are taught more intensively in these schools.

Under the reform some private schools are wary of taking government funds (vouchers) in case such funding is accompanied by intrusive regulations on other school matters, such as the curriculum, the teacher composition or student intake. Where private schools expect additional regulations from the government, they will be less likely to offer new places to students with vouchers.

Finally, the benefits of Qatar's model of privatisation will be clearer as the reform moves forward. If privatisation reforms really do raise efficiency, then the government sector may be able to reduce the budget allocated for education while maintaining educational standards. It is important for planners to make sure that any efficiency gains from privatisation are real

and that they are used effectively. The efficiency gains can be re-invested to improve educational standards.

10.2 Legal implications

Changes to the education system will often have legal implications, these concerns over the legality of privatisation reforms will, of course, depend on the constitutions and laws of each country. But some general conclusions can be drawn. One such generalisation is the distinction between compulsory schooling and compulsory education laws. In countries where there is a compulsory schooling law, for instance, home schooling is likely to be unlawful. A second general conclusion is that privatisation reforms may affect so many aspects of the education system that the legal ramifications of a reform would need to be seriously considered. This re-inspection is made all the more necessary because of the political concerns over privatisation.

Summary

The researcher contends that the ratings of all components of COSO should be considered to determine whether controls provide reasonable assurance that management objectives for the reform have been achieved. A strength in the internal controls of one component may compensate for a control weakness in another. Hence, in comparison with the old Ministry of Education, the educational reform managed to enhance the corporate governance system and internal controls aspects. While there are a lot of weaknesses still in the system; the overall advantages of the reform are substantial. Below is a summary of aspects of the internal controls based on COSO.

Control Environment Some hard controls are missing or inadequate. There are a few verified instances of breakdowns of soft controls.

Risk Assessment Management has not fully identified relevant risks to achieving its objectives and does not have a basis for determining which risks are most critical. Management has not ensured mitigation of critical operating risks. Audits keep detecting key risks not previously contemplated by management.

Control Activities Key control activities are not functioning as intended. Management's risk mitigation strategy is not adequately reflected within control activities.

Monitoring Management has not established a means of determining the quality of the internal control system through independent evaluations or ongoing, structured, and independent process checks.

Information & Communication Key metrics are not identified, collected, and communicated in a timely manner. Stakeholders' complaints and disputes are not resolved. Remedial action is not undertaken in a timely manner.

Chapter XI

1. Challenges for Developing Corporate Governance: The Final Focus Group

The focus groups consisted of operators, managers in the Education, Evaluation and Higher Education Institutes. Teachers from Ministry as well as independent schools were also part of the focus group. The following is an outline of the groups interviewed.

Table 6: Types of Interviewee and Key Information Solicited

Type of Interviewee	Key Information Solicited
SEC Board Members	<ul style="list-style-type: none">▪ Mission & objectives▪ Choosing operators' process▪ Process for selecting operators▪ Weaknesses & strengths of IS▪ Recommendations for change▪ Other CG aspects
Heads of SEC Institutes	<ul style="list-style-type: none">▪ Mission & objectives▪ Liaising with Qatar MoE▪ Mechanisms for aligning systems with stakeholders' interests▪ Process for selecting operators▪ Reflections on barriers & facilitators▪ Process for supporting IS▪ Other CG aspects
SEC Managers & Employees	<ul style="list-style-type: none">▪ Mission & objectives▪ Experience with system▪ Strengths & weaknesses of IS▪ Other CG aspects
MoE Managers & Employees	<ul style="list-style-type: none">▪ Knowledge of the reform▪ Their future position in reform▪ Adequacy of current system▪ Ideal mission & objectives of system▪ Weaknesses & Strengths of IS▪ Recommendations for change
Independent School Operators	<ul style="list-style-type: none">▪ Mission & objectives▪ Experience with system▪ Strengths & weaknesses of IS▪ Communication with SEC▪ Support from SEC▪ Other CG aspects
	<ul style="list-style-type: none">▪ Mission & objectives▪ Experience with system

Independent School Teachers	<ul style="list-style-type: none"> ▪ Strengths & weaknesses of IS ▪ Communication with SEC ▪ Support from SEC ▪ Other CG aspects
Parents of Independent School Students	<ul style="list-style-type: none"> ▪ Mission & objectives ▪ Experience with system ▪ Strengths & weaknesses of IS ▪ Communication with SEC ▪ Support from SEC ▪ Other CG aspects
Students of Independent Schools	<ul style="list-style-type: none"> ▪ Experience with system ▪ Strengths & weaknesses of IS ▪ Other CG aspects
Public School Principals	<ul style="list-style-type: none"> ▪ Knowledge of the reform ▪ Their future position in reform ▪ Adequacy of current system ▪ Ideal mission & objectives of system ▪ Weaknesses & Strengths of IS ▪ Recommendations for change
Teachers in Ministry Schools	<ul style="list-style-type: none"> ▪ Experience with IS ▪ Strengths & weaknesses of IS ▪ Ideal mission & objectives of system ▪ Adequacy of current system ▪ Their future position in the reform ▪ Professional development
Parents of Students in Ministry Schools	<ul style="list-style-type: none"> ▪ Experience with IS ▪ Strengths & weaknesses of IS ▪ Strength & weakness of MoE
Students of Independent Schools	<ul style="list-style-type: none"> ▪ Experience with IS ▪ Strengths & weaknesses of IS ▪ Strength & weakness of MoE

Independent schools teachers in focus group meetings agreed that the reform has better corporate governance structure than that of the Ministry of Education and that more time is needed to measure results. Managers of the SEC also contended that it is too early to see substantial results and that judging the efficiency of the corporate governance structure that was adopted to deliver the privatised public education is premature.

On the other hand, Ministry teachers and managers argued that it is too early to rule out problems in the new privatised model and that corporate governance problems might surface in the near future. Some argued that the investment spent on the new model could have been used to change the old Ministry of Education system; they argued that better results would have been reaped then.

The researcher, in the final focus group, which consisted of parents and student from independent schools as well as Ministry schools, communicated the results of the research with them for validation purposes. Almost all confirmed the researcher's findings; however, parents from independent schools had fewer complaints compared to the complaints noted in previous focus group meetings which led the researcher to think that participants might be getting better accustomed to the new system. Most complaints by parents from Ministry schools centred on the abrupt change that was introduced, they argued that the reform should have been implemented in stages. However, parents from independent schools seemed more confident about the success of the reform and their complaints centred around additional hidden fees they have to pay in independent schools such as lunch and trips fees.

Students of independent schools seemed happier and more outspoken. They mentioned the diversity of the curriculum as an advantage over Ministry schools. Few complained about the low standards in English, Mathematics and Arabic teaching and attributed them to under-qualified teachers. Ministry schools students, however, complained of the lack of resources and lack of facilities.

The auditors in the final focus group were asked separately to validate the findings of the research. The findings from this group also supported the researcher's findings from the case study and application of COSO framework. After sharing results of this research with peers and SEC managers, the researcher received positive feedback regarding the identification of

deficiencies in the corporate governance system that need to be addressed. In conclusion, the researcher contends that the focus group findings verify the findings of the research; however, they also highlighted more issues that merit further research.

2. Final Focus Group Wash-up

As first discussed in part one, two primary and three subsidiary questions guided this research. Detailed answers to these questions have been provided in the preceding chapters. The overarching question is “What are the roles and challenges of corporate governance structures, in contributing to the development and establishment of Qatar’s unique privatised education system?” The researcher used the COSO framework to analyse the system of internal controls in the SEC to address the overarching question. Every aspect of the COSO model was looked at and findings from the research were laid next to each attribute. Findings were verified during focus group meetings and further findings were articulated. In the following, the researcher presents the final focus group results which conformed with COSO results.

The COSO-based approach disclosed that the operational management and staff of the SEC had not been receiving a clearly-defined message about executive management's current objectives. As a result, the line manager's risk management activities addressed what they perceived to be desired outcomes, rather than those actually required. The COSO model was instrumental in guiding the researcher to this finding. Weaknesses in the risk control resulted in some violations of the system as well as time-wasting remedial measures taken by the SEC. The fact that corporate governance was not a priority in the initial stage of the reform undermined the success of aspects of the reform.

The COSO-based approach also indicated that several SEC decisions viewed by operators as ‘bad’ were the result of miscommunicated management objectives and lack of adequate information systems support. The researcher found evidence that management’s risk mitigation strategy is not adequately reflected within control activities.

Equally important, the COSO-based review disclosed that information required for informed decision-making was not always available. Data was not always accurate or reliable, and the management information systems were not efficient enough. Additionally, reports due to interested outside parties were not being prepared in a timely manner.

The COSO-based approach disclosed that line management do not have enough effective formal processes for monitoring operations and outcomes, and that they did not always bring significant issues to the attention of executive management. Subsequently, this led the researcher to the conclusion that management has not established a means of determining the quality of the internal control system through independent evaluations or ongoing, structured, and independent process checks.

Findings also reflect that while contract managers were not directly performing traditional monitoring activities over ongoing projects, most did have some means for effective monitoring. Generally, these alternative controls or processes compensated for the lack of traditional monitoring practices. This finding could help management focus attention on management activities that would help individual managers move toward effective oversight.

COSO framework disclosed the organisation did not always adequately document the final decision-making process, nor did those in the organisation provide ‘sufficient’ disclosure of all facts to executive management when they sought final authorisation. Other file

documentation and decision issues also were reported by the traditional auditors and were the primary basis for many of the negative audit findings.

The COSO-based approach indicated that when a governance problem arises, effort was made to arrive to decisions that were both reflective of the perceived objectives of executive management; however, the strategy is more reactive than preventive.

The researcher concluded that many aspects of the corporate governance system were not ideal although not fatally flawed. Problems arising from deficiencies in corporate governance prevented the line managers and staff from fully executing their obligations.

Summary

In this chapter, The researcher presents the final focus group results. Findings drawn from the COSO model were verified during the meetings. Findings verified the results of the COSO-based approach which disclosed that the operational management and staff of the SEC had not been receiving a clearly-defined message about executive management's current objectives. As a result, the line manager's risk management activities addressed what they perceived to be desired outcomes, rather than those actually required. The COSO-based approach also indicated that several SEC decisions viewed by operators as 'bad' were the result of miscommunicated management objectives and lack of adequate information systems support. The researcher found evidence that management's risk mitigation strategy is not adequately reflected within control activities. Equally important, the COSO-based review disclosed that information required for informed decision-making was not always available. The researcher concluded that many aspects of the corporate governance system were not ideal although not fatally flawed. Problems arising from deficiencies in corporate governance prevented the line managers and staff to fully execute their obligations.

PART FOUR

Reflecting on the Research

Summary

Qatar has invested very substantial financial and human resources in its K–12 education reform, and that investment has begun to pay off. The initiative began with the establishment of independent schools – a set of schools that aimed at having greater autonomy, stronger accountability and parental choice. Internationally benchmarked curricula and professional development standards were set up. Operators, who would be held accountable in many different ways, would lead the schools. Six years into the reform effort, the Supreme Education Council is looking to open the final batch of 65 schools in the academic year 2010/2011, a process that began with the opening of 18 schools in 2004.

The fundamental components and mechanisms have been put in place, and new independent schools have been opening every year. Independent schools have been showing clear progress in applying a new student-centred curriculum and teaching methods. Early national test score data indicate improved student outcomes overall; nonetheless, international tests do not necessarily conform to national test results. It is understandable; however, that a new system might undergo widespread change in its initial stages. Perhaps in the future, the system will achieve a greater degree of stability.

The reform encountered a lot of challenges resulting from the late insertion of corporate governance elements. Policy changes have undermined key goals and reduced the autonomy initially given to operators. Because the priorities of some goals, such as operator autonomy,

have changed since the reform's inception, hence it is important that the full set of goals motivating the reform be articulated and that the roles of all those that will participate in implementing and supporting the goals be clarified.

The Budget for 2008-2009 shows that the new model has the cost cutting advantage; though, the researcher can not disclose the figures because of the sensitivity and confidentiality of the data. The reform is relatively young and further cuts, the researcher contends, will result from continuing to adhere to the reform model; the researcher hence recommends that future research in this area should be carried out.

The consolidation of SEC and Ministry functions and the revision of the strategy offered excellent opportunities to address weaknesses in the system. However, as the model is unique and unprecedented, new challenges are still emerging and decision-makers have to improvise at times to come up with solutions.

The changes that will take place during the next phase offer important opportunities to strengthen the reform process and promote positive outcomes. With a concerted effort to identify weaker elements in the corporate governance system and strengthen them, the reform can achieve its vision of improving education for all students in Qatar.

1. Limitations and Ethical Issues

Bias is inherent in research. Qualitative researchers attempt to identify and publish these biases. According to Lincoln and Guba (1985), while constructing holistic meanings, the analysis is influenced by the researcher's interactions with the subjects. As Miles and

Huberman (1994) suggested the researcher did the following: (a) stayed as long on-site as possible, (b) used unobtrusive measures where possible, and (c) made sure the research intentions are unequivocal for informants. In addition, the research site can affect the researcher. To minimise these effects, Miles and Huberman (1994) suggest the following: (a) avoid "elite" bias by including lower-status informants, (b) spread out site visits, (c) triangulate data, and (d) keep research questions firmly in mind.

Interviews with top management (Heads of Education and Evaluation Institutes) provided the researcher with information regarding the problem areas in the control structures. However, some of the answers were driven by hidden agendas and fear of being criticised; as an example, when the researcher asked a manager about the measures that are being taken to safe guard against operators' abuse of the system, the answer was that the SEC does not have enough officers to monitor schools, this the researcher knew was not true.

The education reform investigated is in its initial stages and is still evolving. Findings relating to the planning, start-up, first and second years of operation of Independent schools may not be representative of the system in subsequent years of operation. In addition, not all data were available at a level of detail or completeness that might be most informative. Therefore, certain analyses were based on assumptions and judgments regarding the appropriate way to use the information. As the reform grows, a new study needs to be conducted and the results from this research could be used to further understand the development of the system.

A specific limitation to this study is the non-continuity of the researcher's presence in the SEC. The researcher was unable to visit SEC, MoE and independent schools during the same periods; this left gaps in observation. According to Miles and Huberman (1994), the inclination is to make inferences that connect any gaps.

2. Contribution to Theory and Practice

The story of Qatar's educational reform is still unfolding. Corporate governance problems are still being addressed in the context of a directive model of government or public decision-making. The decision to undertake privatisation wholesale was the key feature, following from a paternalistic stewardship approach to Qatar's best interests; and therefore one where the case for the inclusion of corporate governance mechanisms has had to be the focus of specific advocacy by leading individuals within the education elite, thereby producing slow but eventual change.

The model of corporate governance adopted by the government of Qatar as seen is a hybrid; when the reform started the model had aspects of the stakeholders theory and the agency theory; however, as the reform progressed, more aspects of the agency theory were adopted. Not only is the corporate governance model a hybrid but it is also hybrid in nature in that it is transitional and changes all the time to respond to new challenges. The researcher believes that there is room in the literature of corporate governance for more exploration of this nature. Hybridity, as a common feature in some corporate governance models, needs to be explored more. The researcher firmly believes that to be successful, control structures must allow for a degree of hybridity that permits the organisation to respond to various challenges.

Various lessons can be drawn from this case for other nations contemplating a fully privatised education system. This case will also add to the scant literature available on the following topics:

- Privatisation of public education
- COSO model applicability
- Elite research

- Improvisation in business literature
- Insiders as researchers

3. Research Surprise: Improvisation

Reflections on the case as a whole supported by the post-case focus group findings produced an interesting research surprise; that is, that the tendencies towards improvisation during the corporate governance development were identified. Given the radical and total nature and uniqueness of the educational reform in Qatar and given that RAND was not asked for a comprehensive ‘how to’ as well as ‘what to do’ model, the government of Qatar had to improvise and come up with solutions to problems which arose as a result of the belated insertion of corporate governance aspects in the model. Consequently, the researcher turned to literature on improvisation in business to further understand processes, skills and outcomes that encourage the perception of improvisation as performance (Barrett, 1998, Hatch 1999; Kamoche et al, 2003, Pavlovich, 2003). Ciborra’s (1996) sees improvisation as a situated performance where thinking and action seem to happen simultaneously and goes on to describe it as purposeful human behaviour which seems to be ruled at the same time by chance, intuition, competence and outright design. Miner et al (2001) see improvisation occurring when design and execution of novel action occurs.

The scenario that occurred in Qatar seems to sit well with Chelariu et al (2003) who present improvisation as central to organisational learning, challenging the importance of advance planning and sequential decision making. Crossan et al (2005) contends that improvisation is a creative process that attempts to do something new and useful to the situation although it does not always achieve that. Chelariu et al (2003) argue that improvisation is no longer

unusual in firms since the environmental conditions for improvisation are becoming the norm. Yet attention paid to improvisation in public and non-profit management is still minimal.

Harrow (2008) asks the questions, why, where, when and how do public managers and third sector managers improvise? Who are the improvisers in these sectors? To what extent is conceptual thinking on improvisation in for-profit organisations capable of application in non-profit worlds? How, if at all, does public management pedagogy incorporate learning to improvise and how is it itself improvisatory? Should improvisation be theorised in relation to the special circumstances of public management? In conclusion, she contends that improvisation arises as the evident failure of proper strategic thinking being too wedded to idiosyncrasy; and that public and third sector managers are diminished in their ability to improvise by their addiction to “toolkits”. Additionally, she states that improvising senior managers, who keep promising more, may be in denial over the extent of their organisational capacity; and that managerial improvisation in these sectors is in fact a non-glamorous and often routinised event, as a result of prior improvisation in public policy making. She also argues that managerial improvisation as a tactical necessity, which is in fact induced by the many layers of public administration structures, is a further theme (Harrow, 2008).

In the case of privatisation of Qatar’s public education, findings show that improvisation was used in order to adapt corporate governance structure to accommodate the unprecedented model. No country has attempted the total privatisation of public education before so when problems regarding schools that do not conform to the model presented by RAND such as “evening schools”, improvisation spurred by the need to find solutions occurred. Sharkansky and Zalmanovitch (2000, 321) argue that improvisation is a natural consequence of limited

rationality as well as a product of cultural and personal predilections and environmental circumstances. The researcher agrees with Harrow (2008) who sees improvisation as a problem solving or at least problem-management means in unusual and exceptional rather than familiar circumstances. The researcher agrees with the call for a refinement of the working definition of improvisation as it operates in these sectors, and that it can be seen as intentional, albeit unexpected, redirection of prescribed or current plans and actions taken to ensure that the organisation is well placed to respond to unexpected problems or opportunities.

“We had to improvise as this (privatisation model) was not done before anywhere” one respondent said. Focus group dynamics were supporting the case that the managers of the SEC were improvising for different purposes. Respondents argued equally for greater clarity, for example, they agreed that improvisation is essential, where it is needed and where it is risky; however, they thought that some improvising managers were paternalistic and in denial about the failure of their efforts – with those managers, it was an ego problem.

For public managers the improvisation was exposing them to criticism from the media, these managers had to improvise because of the gap in public policy. Some managers applauded the efforts by improvisers as they felt unable to improvise because of their lack of human, financial or physical resources.

However, even when resources looked good, some managers did not improvise and preferred to give the responsibility to others, this evidence seems to suggest that improvisation depends on the manager’s commitment to it as well the ability to improvise being a character trait, which like leadership qualities may or may not be capable of being learned.

Nonetheless, improvisers feared criticism thus improvisation was less of a fallback position when strategy had been incomplete, poorly executed or plain wrong, but more of a post-strategic organisational defence (Harrow 2008). These findings point to improvisation in nonprofits' close connection with the notion of "strategic intuition", propounded by Duggan (2007) as "technically, expert intuition ... slow, working for new situations when you need your best ideas ... In new situations, your brain takes much longer to make enough new connections to find a good answer. The discipline of strategic intuition requires you to recognise when a situation is new ... you must disconnect the old dots, to let new ones connect on their own." Reflecting on classic strategic planning's adoption in this sector, where "the business-like drive for results as turned social agencies into social enterprise", Duggan emphasises the value of assessing and speculating 'what works' at the beginning of organisational visioning processes, as the basis for future action (Harrow 2008).

In examining the role improvisation played in Qatar's educational reform, the researcher questioned the advantages of improvisation in public managers' intellectual and professional development. Fitzpatrick's (2002) exploration of the ways in which improvisatory games that call upon imagination can be used in public management curricula is being taken up by some educators. Hendricks' (2002) "Fun and Games in Public Administration", uses "mock public health emergency" exercises to help develop creativity among her public management students. The topic of improvisation definitely merits more research, the researcher calls for the commencement of more case study research that examines the improvisatory climate, practice and outcomes in public management contexts.

4. Validation

Validation was used when line management and staff were not in agreement as to the state of control; the criteria for reportable conditions; or could not concur with regard to the most

important control issues and concerns. Validation was also used when respondents felt that they had been misled during the interviews or focus group sessions. In order to confirm the testimonial evidence, letters, contracts, deeds, licenses, certificates, or other writings are documentary evidence that were used. Furthermore, the researcher conducted further interviews with stakeholders of the unit under review to identify problems. Additionally, the researcher used written procedures to prepare process flow charts, identify key control points, and test for evidence of the presence of control. These corroboration activities, in conjunction with the previously obtained testimonial evidence, enabled the researcher to confirm the presence and effectiveness of identified strengths and weaknesses in each of the control components.

5. Reflection on the Methodology

The arguments for case study research were well-rehearsed in this case study, and the explanatory case study approach was ideally understood, especially regarding the scenario of this research topic, where a major break with the past is taking place. The multiple values of the case approach, but especially the contemporary events, were made clear.

One challenge especially is that of deciding whose accounts are taken as depicting the contemporary events; and whose are discounted or never even accessed. In a scenario where there is a major public policy shift, the researcher, being an elite member, found it easy to reach the decision-making leaders and proponents who offered valuable information that is not accessible to the public particularly because the model of privatisation being offered is relatively new and still under test. The accounts from critics of the reform was also looked at and integrated into the case.

While the researcher previously emphasised the explanatory role of this case study, there is also the older exploratory purpose, which sought to explain “what is actually going on here” – i.e. is this just a move to business-led public services generally, or a special critique of the way in which public education was handled? The pilot work discussion was important, as it served as a kind of temperature-taking device and confirmed the value of the wider study.

In regard to the insider researcher’s role, since the insider researcher shares the social world of the research participants there is less likelihood of his/her experiencing any “culture shock or disorientation” Hockey (1993). The expectation is that the context will be understood and appreciated in a way not open to an outsider researcher.

Hockey (1993) also offers a further advantage for insider research, that there is the possibility of “enhanced rapport” between respondent and insider researcher. He suggests that respondents are more likely to divulge “intimate details of their lives to someone considered empathetic”.

Such insider knowledge enabled the researcher to encourage the development of the programme whilst highlighting the areas of weakness and championing the research findings in the face of some opposition. Had the researcher entered the arena as an outsider researcher it would have been hard to draw upon the historical perspective of the educational arena.

At the same time the researcher was conscious of the particular vulnerability experienced by respondents when sharing possible weaknesses and inadequacies with the researcher. Robson (2002) identifies hierarchy difficulties as possible disadvantages for the insider researcher.

However the researcher hoped to minimise the impact of the researcher's status by promising respondents total confidentiality.

Hockey cautions against insider researchers' presumptions that their "partialness" of knowledge reflects the full picture of the researched location. "Overfamiliarity" and "taken-for-granted assumptions" are further pitfalls to be avoided. Robson (2002) similarly warns the insider researcher against "preconceptions about issues and solutions." Needless to say there is the parallel problem of the research participants presuming the insider researcher knows more than he/she does and therefore not sharing certain material. As an insider, the researcher understood how the system functioned and provided the researcher with open access to a wealth of information; nonetheless in some cases the researcher's hierarchical role played a major part in the interaction with respondents.

In conclusion, the researcher agrees with Watt (2003) that there can be no "absolutes with regard to insider/outsider research; there is only a question of degree. Accepting with humility the impossibility of total objectivity should enable researchers to enter the arena equipped with a more realistic appreciation of their vulnerable humanity."

6. Reflection on COSO Applicability

The use of COSO framework helped the researcher get close to aspects of corporate governance of the reform in public education in Qatar. The COSO framework, the researcher contends, can produce a comprehensive and balanced picture of the entire control system of an organisation in a relatively short period of time. More importantly, significant issues can be diagnosed in a collegial manner, enabling management to focus on finding solutions. The COSO-based process offered the researcher the opportunity to find control problems in a

systematic way; it considers not only the evaluation of hard controls, like segregation of duties, but also soft controls, such as the competence and professionalism of employees. The key steps for successfully applying COSO are: understanding COSO; determining control strengths and weaknesses; defining key issues and reportable conditions; validating testimonial evidence and making the final assessment.

Applying COSO in practice, the researcher contends, is not as simple as adopting it in theory because there is no defined approach for auditing soft controls like the integrity and ethical values of staff, the philosophy and operating style of management, and the effectiveness of communication.

In this case study, the researcher concluded that many aspects of the corporate governance system were not ideal, although not totally flawed; and that in turn prevented the line managers and staff from fulfilling their obligations. The traditional methods of checking internal controls used by the SEC; however, offered no explanation as to the causes, nor did they correctly identify the real problems regarding objective-setting, risk analysis, and the acquisition of data required for informed decision-making and oversight monitoring. The COSO framework was instrumental in identifying the causes of the weak corporate governance system while the traditional methods did not produce effective recommendations for executive management because it failed to provide perspective on the overall system of control.

Although the researcher's COSO implementation has ultimately been successful, a few hurdles were encountered. The researcher implemented the process incrementally, starting with development and testing of the control evaluation form. An immediate problem developed when auditors were confused by the terminology of COSO.

In addition, there was limited understanding of the COSO framework among audit staff, and no criteria regarding control ratings were provided to ensure consistency. Compounding the problem, the merger of the SEC and the Ministry of Education consolidated very few audit departments within the SEC. All had different perspectives on performing internal audits. Of even greater concern was the fact that many auditors failed to see any real benefit in rating internal controls given the lack of guidance and confusion over terminology. These problems were overcome through follow-up and verification.

The researcher recommends that decision makers in Qatar should work to identify control problems and develop solutions for improving and strengthening controls by adopting the COSO framework; for example introducing training courses for staff.

7. Elite Literature: New Perspective

The researcher found limited literature on elite research and even less relating to elite interviewing elite. The researcher found some sociological studies of business elites such as those of Scott (1997), Carroll (2003) or studies on the characteristics of chief executive officers (Windolf, 2002), but such work is of increasingly specialist interest, and does not address broader concerns of academic social science. This research calls for a resumption of elite studies in a new kind of frame by focusing attention on methodological issues. Research into these groups has become easier over the past twenty years because the standard techniques are familiar and, significantly, the publicly available information is not only more comprehensive but also more accessible through electronic databases rather than the paper based directories and sources of an earlier generation (Harrow 2008).

Researchers now recognise two kinds of directors (executive and non-executive) and there is a quite legitimate interest in the social characteristics of the two groups. But, the pre-

occupation with directors is restrictive insofar as the board is treated as an isolated decision making unit. In their view, academic studies of board of directors need to be supplemented with broader research that includes the intermediaries and advisers around the boards: many corporate decisions now involve not only executives and non-executives on corporate boards, but also intermediaries, such as consultants or investment bankers outside the firm (Harrow 2008).

In this research intermediaries provided the most relevant information. Intermediaries are an exceedingly interesting group, and understanding their relationship with CEOs is also vital for contemporary elite dynamics. But information sources on this group are fragmentary and it has barely been discussed except by Robert Reich (1991) in the *Work of Nations*, which focused on the much larger group of ‘symbolic analysts’ in 1990s America.

While second line managers provided candid responses, the researcher noticed that senior managers evaded answering some questions when the tape recorder was used. As soon as the researcher noticed the respondents discomfort with the tape recorder, the rest of the interviews with senior managers were not recorded to make them feel more at ease.

One of the strongest advantages of elite interviews, the researcher contends, is that they enable researchers to interview first-hand participants of the processes under investigation, allowing for researchers to obtain accounts from direct witnesses to the events in question. While documents and other sources may provide detailed accounts, there is often no substitute for talking directly with those involved and gaining insights from key participants. The nature of elite interviewing also allows interviewers to probe their subjects, and thus move beyond written accounts that may often represent an official version of events, and gather information about the underlying context and build up to the actions that took place.

Other advantages of elite interviews, the researcher contends, relate to the particular weaknesses of archival documents, as interviews can compensate for both the lack and limitations of documentary evidence.

Even when relevant archival material is available, documents can still entail some inherent weaknesses that the researcher must remain aware of. In particular, documents can often be incomplete, and can thus present a misleading account of the events they relate to. By presenting the official version of events, documents often conceal the informal processes and considerations that precede decision making. They may also present decisions in a way that implies consensus and agreement, when the reality may be that disagreement was extensive and that other, undocumented, decisions may have been considered extensively. Finally, in cases where there is an abundance of documentation, the wealth of primary data can become a liability, as the difficulty of sorting through the evidence and prioritising the most important documents increases. Interviewees can often help the researcher cut through this surplus of data, as respondents can help the researcher prioritise the most important information.

The researcher particularly found that when conducting downward elite interviewing respondents felt relieved after the interview; as they felt that the researcher might share their concerns with decision-makers. Perhaps one of the reasons why some of the findings from this research conflict with findings from RAND's reports is that the respondents felt at ease speaking about the shortcomings of the system with the researcher, some even described RAND as "outsiders".

Yet the researcher contends that elite interviews have their own limitations and weaknesses as well as strengths. The researcher had to validate conflicting responses by triangulation

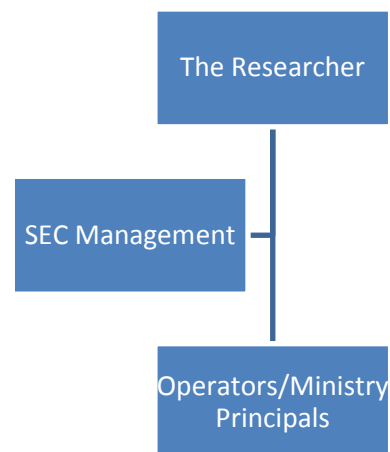
techniques to avoid manipulation of some elite interviewees. As George and Bennett highlight in relation to evidence more generally, it is necessary to critically assess and weigh the value of collected data, recognising the pitfalls that may limit the usefulness of such information along with its benefits. While interviews can in many circumstances compensate for the distortions that exist in written sources, it is also sometimes the case that interviewees can misrepresent their own positions in ways that raise questions over the reliability of their statements. It was important for the researcher to be aware of the possible drawbacks that come with conducting interviews, and critically evaluate any interviews that are carried out in the research process. In order to evaluate such interviews, however, it is necessary to have criteria against which the manner in which elite interview subjects should be selected.

8. Downward Elite Research

In reviewing elite research, most of the literature is on downward elite researching, where the researcher is below or at the same level in the organisational structure as the subjects of elite research. The research topic is then approached from a lower position in the organisational structure; this is normally an obstacle and can limit access to valuable information that can only be accessed by those at the top of the organisation.

In the researcher's case, the research conducted is of an upward nature, where the researcher is at the top of the organisational structure, preceded only by the chair and vice chair of the organisation, interviewing those who are at the same level (RAND and other SEC board members) or those who are lower in the organisational structure (teachers and operators). Interviewing from this perspective, gave the researcher accessibility to valuable information that would otherwise have been impossible to retrieve.

Figure 22: Downward Elite Research



Downward elite research minimises the problems that are normally associated with elite research, such as, access to interview subjects or access to sensitive information. However, new issues relating to the presentation of sensitive information or disclosure of sensitive government documents are sometimes necessary.

Again, in conducting upward elite research the researcher contends that the most accurate information was given by those who were lower in the organisation structure, while interviewing those who are on the same level or one level down was somewhat more challenging.

9. Reflections on the Final Focus Group

The researcher contends that focus groups can be utilized effectively across various stages of the research development. The final focus group meeting confirmed the research findings. Among the key steps in the researcher's plan to conduct a final focus group meeting were: (a) deciding on appropriate frameworks to pose the types of research findings the researcher had identified. (b) selecting participants and setting the agenda; (c) data recording and field notes; and (d) coding and other methodological issues.

Participants in the final focus group were given an informed consent form that explained the voluntary nature of the research and their right to withdraw at any time without penalty. Nonetheless, no one refused to join the group, hence confirming the no-refusal experience of downward elite research mentioned in earlier chapters.

The researcher strategy in conducting the final group meeting allowed for flexibility and creativity in carrying out the agenda; this was important in managing the group dynamics and flow, thus enhancing the quality of the emergent data (Saldana, 2009). For example, when the respondents wanted to inquire about future SEC plans, the researcher took few minutes to discuss the future strategy of the SEC before moving on to the next item in the agenda. Allowing for flexibility greatly enhanced the overall outcomes of the final focus group (Miles & Huberman, 1994). Some participants stayed after the focus group session ended in order to continue talking with the researcher about the emergent issues.

In addition, the flexibility allowed for certain issues to be probed more deeply, as needed and appropriate. Moreover, it empowered the researcher to implement measures to ensure that all participants felt heard, validated, and respected – this was particularly important, given the sensitive nature of topics (Vaughn, Schumm, & Sinagub, 1996).

However, the differing levels of diversity in the final focus groups had an impact on the range of opinions on discussion topics. For example, the group had very little to say about sensitive financial issues, it became apparent then to the researcher that the past homogeneous focus groups, had engaged in more substantive comments and discussion about such issues.

Finally, after the final focus group meeting it became apparent to the researcher that in focus groups with different levels of diversity effective group facilitation skills are important to ensure that all participants are given the chance to air their opinions. It was important to look out for individuals who needed individual follow up intervention. In conclusion, the final focus group meeting indeed served as a valuable tool for validating the research findings.

10. The Role of the Personal Research Diary

The free-format personal research diary helped the researcher record and reflect deeply on her thoughts and feelings on issues and events which are an essential part of the research topic. It also helped the researcher organise, track, and perhaps most importantly, enrich the problem solving process. The research diary was used to:

- Record references
- Record interesting quotes
- Describe problems and their solutions
- Pose questions and speculations
- Record ideas as they came up

The researcher read back through the diary periodically and kept a monthly summary for easy reference. Sketches helped the researcher record and reflect on experiences. The diary also helped the researcher recall events accurately during field visits but most importantly, it helped the researcher overcome the problems associated with collecting sensitive information by personal interview.

11. Conclusions

When the educational reform was implemented in Qatar, stakeholder dimensions were not all taken into consideration, also with the absence of key issues such as change facilitation,

stakeholder's analysis and operational strategy, the SEC encountered problems relating to the implementation of the reform in education.

Given the unfolding story presented through this research and especially in relation to the pinnacle case, this research demonstrated an apparent initial neglect of corporate governance aspects during the privatisation of public education in Qatar. This was then followed by the insertion of a corporate governance model which had been tentatively identified and which is improvisatory in nature. Also given the radical nature of the reform, corporate governance was never anywhere near the top of the early implementation agenda but subsequently, these omissions were recognised and changes were introduced; Qatar is fortunate not to have run into more difficulties. Nonetheless, the positive results of the reform are being felt, from cutting costs to improving the educational environment.

12. Recommendations

As a member of the Supreme Education Council that supported the reform over four years, The researcher developed significant insight into what worked, what did not work, and why. Based on further research on the reform, as well as a more general knowledge of reform efforts elsewhere, the researcher offers the following recommendations.

For the reform to succeed it needs to be based on a strong supervision system. The important component of financial supervision system is the supervisory organisations, which at the time when the research was conducted was mainly exerting an adverse impact on operators and restricting their duties and rights, at the same time, it was not offering enough support academically for operators who are new to the system. In addition, lacking enough professional knowledge makes some managers far away from the business processing

practice, which hampers the financial supervision and makes the financial supervision at times exist in name only.

The subject of the financial governance refers to the stakeholders who take part in the financial activities and form the financial relationship, including operators and government, employees. In the new privatised model, the stakeholders are not only the government, but also the operators. Therefore, keeping the efficiency of the financial governance requires all parties to meet and be part of the decision-making process. Lacking information on the subject of corporate governance in a privatised public education setting requires that further studies should be conducted at a later stage to further test outcomes of the reform in education. The fundamental starting point is to balance all the stakeholders' interests and keep the healthy operation of the system.

A set of standards to execute the systems according to the features of the organisation needs to be established; however, some operators have not established such standards. Therefore, the financial governance becomes free and deregulated without an objective criterion; this is seriously restricting the improvement and efficiency of the financial governance to the point where the government had to step in and take away some of the functions from operators. Lately, it has been announced that the government will have the final say in regard to recruiting teachers in independent schools which is viewed by some as a return to the previous system of governance.

The SEC is facing a new complicated and dynamic environment, where risks are inevitably created in daily production activities. The rational attitude is to positively respond to the risks, rather than deliberately avoiding them. The SEC should pay attention to risk

assessment and recognition, and adapt effective measures to cope with the risks. It should also protect the interests of the stakeholders, such as managers and operators in order to have the support of all these stakeholders groups. Furthermore, the researcher recommends that the Supreme Education Council should carefully consider corporate governance for future policy changes prior to implementation.

Any system needs a set of strong appraisal processes. The corporate governance should be set in a way that focus on the operational efficiency of the system, and then give some suggestions for improvement. The construction of performance appraisal system should be evidence-based in order to scientifically assess the effects of corporate governance.

Corporate governance does not only relate to the internal environment of an organisation but also includes external environments, such as the external industry environment, government control, and the development of financial ecology. The SEC should stress the importance of the constant changes of the internal environment, and they should promptly make rapid reaction to the changes in the external environment too and adopt measures to cope with them. For example, the operators should actively accept the effective supervision of the industry and the government, let the intermediaries intervene to examine. In this case, the system can improve and stakeholders' interests are protected.

Internal auditors are perfectly positioned to contribute to the detection and prevention of fraudulent activity. Not only are auditors well-qualified in this area, but they can help the system avoid potential conflicts with legal requirements associated with investigative activity. Moreover, internal auditing's participation in anti-fraud initiatives enables the organisation to benefit from in-house experts who know the organisation best.

A good corporate governance system pays particular attention to efficiency. The assessment to efficiency depends on a good monitoring system, so to a large extent, the establishment of the monitoring system decides the efficiency and assessment of the corporate governance. In order to objectively and justly reflect the management level, management should scientifically establish the monitoring system based on the COSO framework according to the unique features of the types of service. Management should also revise the monitoring system regularly according to the dynamic environment.

When applying COSO framework, the researcher observed that people in the SEC, who daily face the realities of trying to work efficiently and effectively to achieve the goals and objectives set out for them, are in the best position to provide insights into the strengths and weaknesses of their processes. Internal auditors should work with SEC management to identify control problems and develop solutions for improving and strengthening controls. Also the use of focus groups and affinity processes affords one of the most efficient and effective means of gathering substantial amounts of highly relevant and useful data. In the researcher's experience focus group meetings far surpassed the other methods of gathering information. Corporate governance challenges can be identified and addressed using focus groups findings.

In regard to independent schools, more professional development is needed to help teachers make the transition smoothly. Also in regard to hiring Qatari teachers, tribal issues are another element that should be taken into account when drafting Qatarisation policies. It is paramount that the government acknowledges the problems mentioned in the pinnacle case study. Additionally, The SEC should develop a transparent process that allows surplus funds to be used to enhance educational programmes. As discussed in the pinnacle case study, selection and use of textbooks have been an ongoing source of concern. The Education

Institute should publish lists of curriculum materials supportive of the standards while allowing schools some freedom to choose and justify the use of alternative materials.

The reform's primary roles for parents are to make informed choices about where to send their child to school as well as to pressure school administrators and staff to provide a high-quality education. Parental engagement, which is already set in each school's operating agreement, should be monitored, and rewards or sanctions should be applied based on how well a school has met these goals. Focused professional development for school leaders and teachers could improve their skills and strategies for engaging parents. Workshop for parents could address existing barriers that inhibit parent participation.

To avoid unnecessary risk, perhaps only a few independent schools should have been opened at a time. Drawing attention to a few high quality schools should have spill over benefits for other schools and systems, both within Qatar and across the Gulf. New schools and models of schooling would have affected the Ministry, perhaps encouraging it to adopt some of the principles and elements of the reform. Most Gulf countries have similar education systems, so the independent school Model should be of great interest. If successful, the model developed in Qatar could spark change across the region.

Based on the above points, the researcher holds that risk management is a vital component of corporate governance. All of the governance activities should be carried out surrounding the risk management. According to the requirements of the COSO report, the enterprise should respectively establish an improved risk governing system in five aspects: control environment, risk assessment, control activities, information and communication and monitoring. A better risk governing system is therefore established which can ensure that the

risk level is maintained at an acceptable level in the view of the governors, that is to say, if the SEC succeeds in risk management, the reform is more destined to succeed. The risk management and control can be accomplished through the COSO framework which is proved to be effective by industry, it is helpful in preventing risk and increasing the efficiency of operations.

13. Implications beyond Qatar

Educators and researchers can use corporate governance aspects that were used to execute the educational reform in Qatar to learn how effective the different approaches chosen by SEC and independent schools have been and to apply this knowledge to other situations and other societies.

The reform's design and its implementation offer an approach for developing a choice-based system that holds the promise of improved quality. Other countries can learn from this model of institutional change and its implementation.

Some of this new reform's principles are already spreading to other countries in the region. The Emirate of Abu Dhabi in the United Arab Emirates recently adopted a strategy of public financing for private providers of education that is similar to that of Qatar. Additionally, the Secretary General of the Gulf Co-operation Council praised Qatar's initiative, especially its curriculum standards. Since these curriculum standards are the foundation for teaching, learning, and accountability, the Secretary General's praise, motivated by concern throughout the region about preparing students for later life, represents a major endorsement of the approach taken in Qatar.

The leadership of Qatar has embarked on a bold course to improve its education system. Qatar's example should serve to point the way for other countries to examine their own education systems, begin an improvement process, and incorporate some or all of this reform principles into their plans for reform. By injecting competitive forces in the education sector via the introduction of corporate entities, independent schools have proven to be as successful as other efforts to privatise public services such as telecommunications.

14. Concluding Remarks

Independent schools have a definite edge over the schools that were functioning under the Ministry of Education until recently in Qatar. Teachers in the independent schools are more focused on meeting the learning needs of individual students than their peers in the abolished schools operated by the Ministry of Education in Qatar. However, this research has shown that a lot of work is still needed to ensure the success of the new adopted model.

The late insertion of corporate governance elements jeopardised the success of the reform and Qatar was fortunate not to have encountered more problems as the unprecedented model for privatised public education was implemented. The application of COSO clearly showed areas of weakness in the internal control system which were unidentified by traditional approaches. As the reform moves forward, weaknesses in the communication, risk evaluation and monitoring aspects of corporate governance need to be looked at and evaluated. This study also recommends that the Supreme Education Council should carefully consider the effects of future policy changes prior to implementation and ensure that corporate governance features are integrated in early implementation plans.

Nonetheless, the reform offers a new avenue that could lead to a more efficient way of delivering public education. Aspects of Qatar's reform could be replicated anywhere in the

world with some adjustments; however, it is clear from this study that the early insertion of a strong corporate governance model for the delivery of such a reform was paramount.

APPENDIX I

Summary of Pilot Study

Context

The nation of Qatar is one of the smallest of the Arabian Gulf states. Nonetheless, due to its oil and natural-gas reserves, it is one of the wealthiest countries in the world; it is also one of the most progressive states in the gulf region. Qatar is experiencing unprecedented social and economic development, which is inextricably intertwined with increased participation in a competitive global environment. The Emir, Sheikh Hamad bin Khalifa Al-Thani, is diversifying the economy with an emphasis on creating a vibrant private sector and increasing employment opportunities for Qatari nationals. This development demands specialised human capital; however, the Qatari population is small, and the country depends on a large expatriate workforce not just for low-skilled labour, but for highly skilled labour as well. Few Qataris have the training or qualifications needed for high-demand and high-skill jobs (Stasz et al., 2007). Qatarisation policies aim to increase Qatari employment in the private sector as well as in the semiprivate energy sector. These policies will work only if Qataris are prepared to assume these positions, most of which require specific knowledge and skills (Stasz et al., 2007).

To support this rapid economic development, Qatar is committed to providing its citizens with the best education possible by introducing a major reform in its K-12 system that should lead to improved student outcomes. At the post-secondary level, Education City now houses several high-quality foreign colleges and universities: Carnegie Mellon University, Georgetown University, Texas A&M University, Virginia Commonwealth University (VCU), and Weill Cornell Medical College. The country's one public university, Qatar

University, is aggressively reforming its admission standards, programmatic offerings, and administrative operations.

In 2002, the government of Qatar requested that RAND provide recommendations for improving the country's educational system. Leaders of the country wanted to ensure that the system and the laws supporting it were aligned to the new workforce and post-secondary contexts. They also wanted suggestions on how to ensure that their investments generated returns in terms of a higher quality educational environment than that available in the country at the time.

A radical approach was developed by RAND, which meant that the schools would act as private corporations. With the injection of market forces and competition, the decision-makers were anticipating that the education sector would benefit from the new injected forces accompanying privatisation. Although the education sector in the past had experienced some attempts of privatisation (e.g. charter schools in the States), however, a whole scale privatisation of public education had never been attempted in a country before.

A few years after the introduction of the reform, in 2008, a significant amount of criticism centred around the government compromising on control in fear of meddling with operators, so RAND was asked to realign the strategy and address control structures. The SEC in the past was reluctant to take action until problems become more painful than the disruption of the system.

Approach and Methodology

The researcher conducted a pilot study in the first year of research that looked at the old and new control structure of the educational system in Qatar to check how effective stakeholders

thought the new corporate governance model adopted for the reform was. The research combined qualitative and quantitative methods. The researcher examined relevant documents and interviewed SEC executives. Interviews were conducted with managers of the SEC and operators of independent schools. In addition, a survey in three independent schools was conducted.

In the pilot study the researcher described the methodology used to collect and process the data and the basic characteristics of those data. The researcher also discussed the development of the survey, the sampling frame, the survey administration and the representativeness of the sample. Information on some of the respondents' background is provided separately in the appendix to the pilot study.

Documentation

The researcher collected government data on the reform and reviewed the original RAND documents and proposals. Minutes from SEC board meetings as well as memos were examined, analysed and grouped by themes.

Interviews

To understand the strengths and weaknesses of the new system and as part of the pilot study, the researcher conducted more than 50 interviews with stakeholders, including SEC members, parents, students and School Support Organisations. Below are lists of each type of interviewee, along with the primary information solicited from each group.

3. Types of Interviewees

- Supreme Education Council Board Members
- Heads of SEC Institutes

- Managers in the MoE
- Planning Council
- Independent School Operators
- Parents of Students in Independent Schools
- Students of Independent schools
- Ministry Schools Principals
- Parents of Students in Ministry Schools
- Students in Ministry Schools

Each person interviewed read all of the interview notes. The researcher then discussed the reform to be sure that the respondent fully understood how it worked. Then, the researcher analysed all of impressions of the system to generate lists of goals, objectives, strengths, and weaknesses. The researcher continued to refer to the notes throughout the writing process.

Sample Questions to Managers and Auditors of the SEC

- How does the organisation assess its internal control system to ascertain that it is effective?
- Do senior and line management executive demonstrate that they accept control responsibility rather than just delegate the responsibility to financial and audit staff?
- Does management routinely monitor controls in the process of running the organisation's operations?
- Does management clearly assign responsibilities for training and monitoring of internal controls?
- Are periodic, systematic evaluations of control systems conducted and documented?
- Are such evaluations carried out by personnel with appropriate responsibilities, business experiences, and knowledge of the organisation's affairs?
- What criteria are used to evaluate controls?
- Are control deficiencies reported to upper management and corrected in a timely manner?
- Are appropriate controls built in as new systems are designed and brought on stream?

- Does internal auditing have the complete support of top management, the Audit Committee, and the Board of Directors?
- Has the written scope of internal auditing responsibilities been reviewed by the Audit Committee of adequacy?
- Is the organisational relationship between internal auditing and senior executives appropriate?
- Does internal auditing have and use open lines of communication and private access to all senior officers and Audit Committee?
- Are audit reports covering the right subjects, distributed to the right people, and acted upon in a timely manner?
- Do key audit executives possess an appropriate level of expertise?

Board of Directors Sample Questions

- What do you think should be the primary mission and objectives of the reform (Education for a New Era)? What should it promote?
- How close is the reality to your opinion of what the reform's mission and purpose should be?
- If it is not close, how would you suggest changing it to meet its objectives?
- Do you think the education sector is managed more efficiently than before Education for a New Era, and in what way?
- Do you think the reform is helping to meet labour-market demands in Qatar?
- How frequent is communication between the Ministry of Education and SEC?
- Do you see a need for more or less communication? Why?
- What type of communication occurs between SEC and the Ministry of Education?

Sample of Operators of Independent Schools Interview Questions

- Please describe your experience with Education for a New Era? How many are currently employed at your organisation? How did they apply for their current positions? How do you select employees? What criteria do you use?
- Did you find the application to manage an Independent school process to be easy (not burdensome)? If no, what could be done to change the process? How could the process be improved?
- Do you feel you are given enough support from the SEC, in what aspect you would like to see more support?
- Do you feel the school is meeting all students and parents requirements? Could you share with us some of the feedback you get from students, teachers and parents? What are they pleased with? What are they not pleased with?
- What curriculum is the school following? Do you think it is meeting all the academic requirements for each year group?
- Do you have any problems relating to finances? What are the challenges?
- Do you notice progress in students' results? Teachers' performance? School's financial performance?

4. Survey Design and Administration

The study also surveyed Qataris who graduated from three independent schools (Generation I) and their parents. Managers and teaching staff of those independent schools were interviewed to learn about their experiences. The survey questions began with background questions. The second part of the survey first asked students about how well they are adapting to Independent schools after the reform was launched and whether they feel the change has positively or negatively affected the system. Several questions were then asked about the weaknesses and strengths of the new system and also suggestions and

recommendations. Responses to these questions provided the researcher with a clear picture about stakeholders' attitudes toward the educational reform.

The first item of the survey administered to students asked the respondents to specify their date of birth, which allowed the researcher to double-check that students were at least 18 years old on their last birthday and therefore would not need parental permission to complete the survey.

Students were also asked questions about what affected their choice of independent school. Finally they were asked about their opinions on a number of statements about the school. These items were designed to gather some empirical data that could support or refute opinions about what Qatari students feel about the educational reform.

The draft survey was written in English and then translated into Arabic. The researcher pilot-tested the survey after which some revisions were made to the Arabic translation. The revisions were in turn back-translated to English to ensure that the Arabic and English versions matched as closely as possible. The final survey included 18 items and took about 20 minutes to complete. Students completed the survey anonymously.

5. Sampling Procedure

The researcher randomly selected three Generation I independent schools. The researcher would have liked to conduct the study on three Ministry of Education Schools too and three private schools for comparative analysis (A brief description of each of these types of schools

is provided below). However, the researcher was concerned that this process could cause delays in data collection due to scheduling conflicts.

Table 1: Types of Schools

Type of School	Description
Ministry of Education schools	They operate under the direct supervision of the Qatar Ministry of Education.
Generation I schools	Independent schools, which have been in operation since September 2004, are publicly funded and operate under contract to the SEC.
Generation II Independent schools	Generation II schools opened in 2005. are publicly funded and operate under contract to the SEC.
Private Schools	They are fee-charging education organisations operated as private enterprises.

A list of student names was generated and provided to the principals of the sampled schools, who set aside a class period and classroom to administer the survey. Age-eligible students who were in attendance the day of the administration participated on a voluntary basis. Virtually every student agreed to participate.

6. Characteristics and Representativeness of the Sample

The sample consisted of 100 respondents—55males and 45 females. The survey administration was designed to include only Qatari students as identified through the Ministry of Education database, although three students responded as not being Qatari. Below are three questions from each section of the independent school student questionnaire.

Sample of Independent School Student Questionnaire

First, a few questions about you and what you are studying in
The school.

1. What is your date of birth? ____/____/____ /
(month) (day) (year)

2. Are you male or female?

1. Male
2. Female

3. What is your country of nationality?

1. Qatari
2. Non Qatari
3. Please Specify _____
4. I do not have an answer

5. What grade are you in this year? (circle one number below) /5/

1. Grade -
2. Grade -
3. I do not have an answer

SECTION II: The change in school

14. Where do you get information about what the reform from?

I get this information from: (circle all that apply)

1. the school I attend
2. my teachers
3. my parents
4. other members of my family
5. my friends
6. newspapers or television
7. other sources _____ (please describe)
8. I do not have an answer

15. How certain do you feel about your ability to achieve the kind of job or career that you want with the current school preparation?

(circle one number below)

1. very certain
2. somewhat certain
3. not certain
4. don't know
5. do not plan to enter the workforce
6. I do not have an answer

16. do you agree or disagree with the following statements
about school. The school is managed extremely well in regard to
(circle one in each row)

The Resources	I agree	I disagree	I do not have an answer
Time table	I agree	I disagree	I do not have an answer
Teachers	I agree	I disagree	I do not have an answer
Management	I agree	I disagree	I do not have an answer
School Fees	I agree	I disagree	I do not have an answer
Teaching Methodologies	I agree	I disagree	I do not have an answer

8. Survey Results

The researcher asked students about their occupational and career aspirations, to get a general sense of how well they aligned with goals of the reform. Only 34 percent of male and female

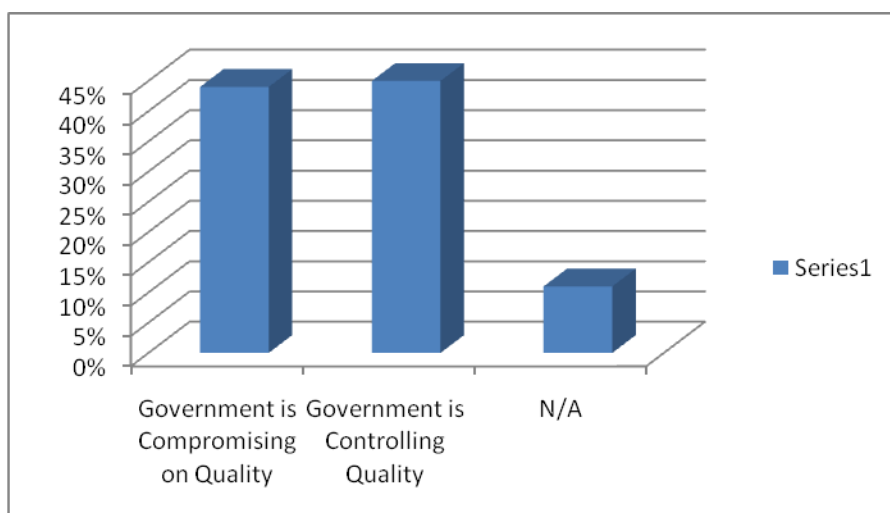
respondents reported specific occupational preferences; the remaining 66% marked “unsure,” “I do not plan to obtain a job,” or “I do not have an answer.”

Students seemed unaware of the aims and goals of the reform 77%, however, almost the same percentage 76% asserted the improvement in school environment. 55% thought that they school’s management do not cover the subjects in the curriculum adequately. When asked in interviews for possible reasons, almost all mentioned weak control structures from SEC.

In regard to the parents’ survey, the researcher met with 100 parents from the three independent schools on which the survey was based. The results suggest that a large gap exists between how the government perceive the reform and how parents see it, especially in the case of the goals of the reform.

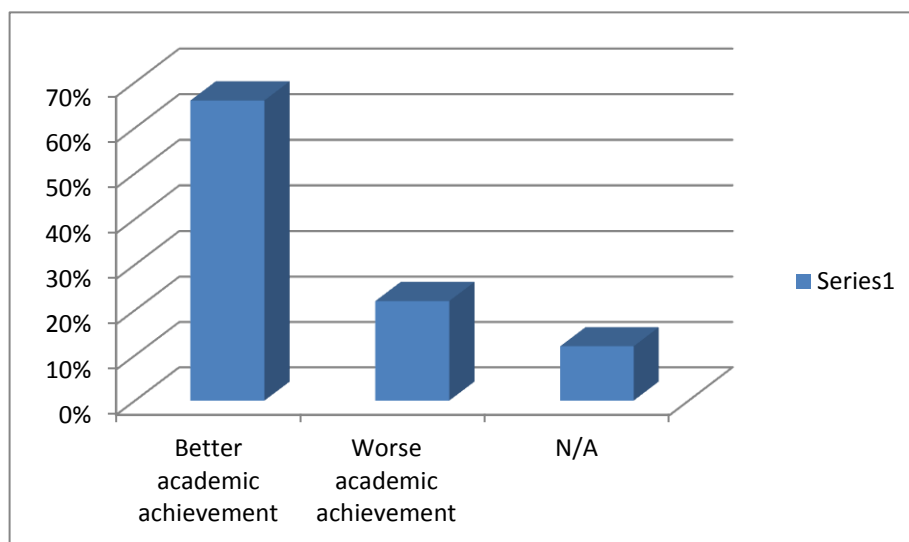
75% of parents indicated that they thought the reform was the result of an unplanned need for change and 33% thought that the reform was timely and achieved its goals. Even so, a significant share of parents said they would want their children to continue studying in Independent schools 27% and 24% said that they would have preferred to keep their children in public schools if they were renovated. 3% said they would rather send their children to religious schools rather than private, public or independent schools. Below are some of the findings from the parents’ survey.

Is the government compromising on quality?

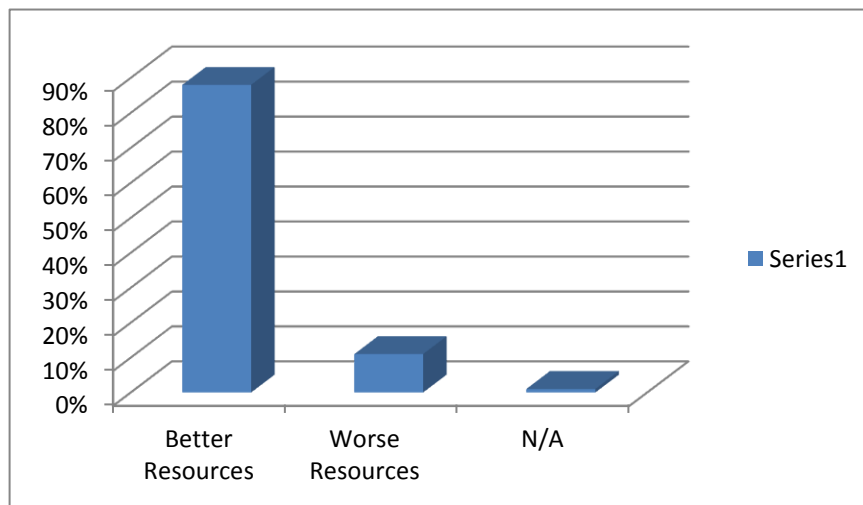


28% thought that the government is compromising on quality in order not to offend operators. 60% thought that the government has implemented tighter control structures to curb the fraud by some school operators, 12% chose not to answer this question.²⁷

Did joining an independent school result in better or worse academic achievement for your child?

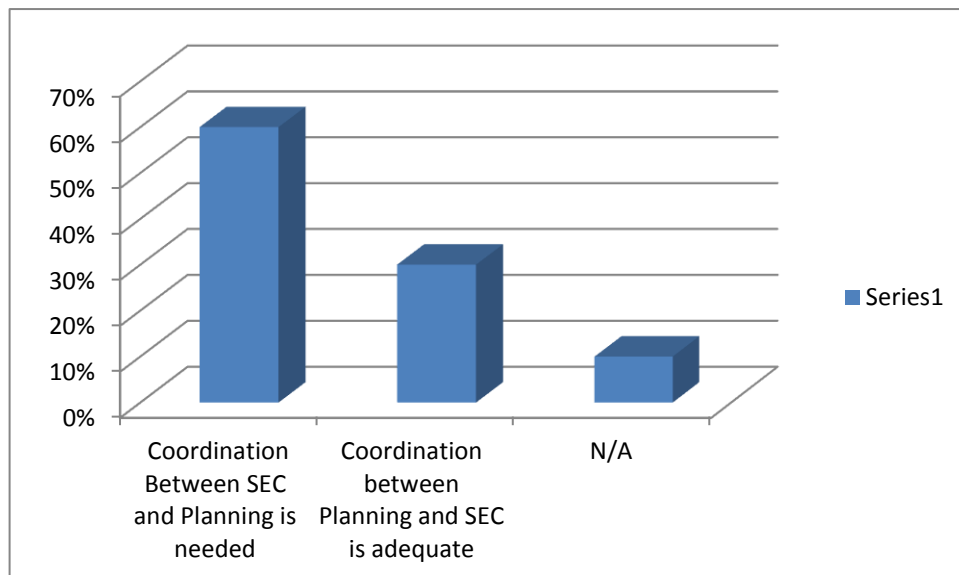


Compared to Public Schools, is your independent school better or worse resourced?



77% of parents complained about hidden finances that did not exist in the public schools, such as fees for food and school uniform. Some parents also stated that the school is trying to make more profit by asking parents to pay for services like swimming and horse-riding.

Coordination with Planning Council



66% of parents said that they have noticed the rise in academic achievement. Almost the same percentage, 63% were happy with the teachers' qualifications. 22% complained of the lack of books, and demanded that the ministry should pressure operators to source the schools better.

The research revealed that most teachers interviewed preferred to work in public schools and only a few chose the independent schools as their first choice. In general, the public schools are preferred because they offer amenities that are not available in the public schools, such as job security, shorter working hours, and better benefits (Planning Council, 2005a). These results suggest that operators in public schools will continue to face challenges in recruiting both Qatari females and males.

One of the main motivations for the pilot study was to examine the types of education and training that are needed to prepare teachers and management to join the workforce. Through interviews with employers, the study found that the most sought-after skills for job candidates were English language ability, knowledge of information and communications technology, and business skills.

The teachers were asked if they received enough training for their jobs in independent schools and what other kind of preparation they would need to be ready for working in independent schools. Some felt that work experience was all that was needed to feel adequately prepared for the job. While a large number felt that a training programme would be needed to adequately prepare them for their preferred job. On the other hand, most females teachers interviewed said that they were not sure how the system operates and recognise the need for additional training. It could also be that they believe they will get the training and

skills they need through direct employment first, although this explanation was not directly supported in the data collected by the researcher. In regard to the operators interviewed, almost everyone agreed that the reform brought about better physical environment. Certification and accountability were the major issues that were of concern.

In regard to corporate governance, the study revealed that the reform did bring about a leaner system and better control structures; however, it also revealed some weaknesses that needed to be addressed. It seemed to the researcher that elements relating to corporate governance were not high on the agenda and as the reform progressed, the SEC started inserting the missing elements. The study revealed that some key control activities were not functioning as intended. Monitoring of the system was also lacking, the researcher suspected a deficiency in the information and communication system as well.

12. Implications

The pilot study presented data that helped the researcher conduct a more comprehensive study. This study also provided evidence that training opportunities, prestige, appropriate working conditions, and job security could attract more Qataris to work in independent schools. The pilot study also showed the significantly larger percentage of women than men who plan to work in independent schools. It also revealed lack of awareness of the reform goals and aims among managers, parents and students in Qatar. The researcher recommended counselling services in schools should be offered to increase awareness about the reform.

After conducting the pilot study, it was evident to the researcher that the central challenge in governance of privatisation of education, as in management, is how to control without infringing on the operators' effectiveness. However, while the government's aim is certainly

to add value, its purpose is not to add value to the operator only, but to the exercise of shareholder prerogatives.

RAND was invited again to set the strategy in 2008. With the new strategy finished and operational at the time of writing the pilot study report, the researcher hoped to revisit all the issues again by the end of 2009. Hence, the pilot study served as an important bench mark.

In conclusion, there are a number of key benefits in connection with the pilot study the researcher identified. It offered rich insights into issues and themes in different contexts. The pilot study led to a range of further research issues relating to the impact of corporate governance on a privatised public education model. The researcher conducted further research in 2009 for comparative analysis. The results of the pilot study were used as guide lines.

APPENDIX II

Members of the Supreme Education Council

The members of the Supreme Education Council were drawn from Qatar and international top leaders in government, business and academia. While they reflect diversity and experience across multiple disciplines, they are united in their commitment to building a world-class education system for Qatari citizens. The members are:

His Highness The Heir Apparent Sheikh Tamim bin Hamad bin Khalifa

Al-Thani was born in Doha, Qatar. He was awarded his GCSE from Sherborne School in the United Kingdom and graduated from Sandhurst



Royal Military Academy. Appointed Heir Apparent in 2003, His Highness has held many important positions in addition to his role as Chair of the Supreme Education Council. Those positions include Chairman of the Qatar National Olympic Committee, Member of the International Olympic Committee, Member of the “Sports for All” Committee of the International Olympic Committee, Chairman of the Supreme Council for the Environment, Chairman of Board of Trustees of Qatar University and Chairman of the Supreme Council for Information and Communications Technology (ictQatar).

Her Highness Sheikha Mozah Bint Nasser Al-Missned has been actively engaged in education and social reforms in Qatar and has played a major role in spearheading various national and international development projects. Her Highness is Chairperson of the Qatar Foundation for



Education, Science and Community Development, a private non- profit organisation founded

in 1995 on the personal initiative of His Highness Sheikh Hamad Bin Khalifa Al-Thani. Her Highness is also President of the Supreme Council for Family Affairs, a government institution founded in 1998, with the aim of strengthening the role of family in society. The council is active in analysing issues related to family and children's rights and proposing culturally appropriate solutions

.Sheikha Al-Mahmoud, Minister of Education and Secretary General of the SEC is the first female to be appointed minister in Qatar. Her appointment as a Minister of Education is considered evidence of the confidence entrusted by the leadership and the society in the capabilities of



women in Qatar. She has a B.A. in Arabic Language and has over 30 years of experience in the field of education. Starting out as a teacher, Mrs. Al-Mahmoud has served in various positions in the education field, rising to the level of Assistant to the Director of Educational Supervision and then Undersecretary at the Ministry of Education. In 2001, she was appointed Minister of Education by Emiri Decree No. (2) 2003, issued on 6/5/2003.

In addition to serving as Minister of Education and Secretary General of the Supreme Education Council, she has served in various important capacities including Chair of the Qatari Education, Culture and Sciences National Committee, Chair of the Qatari Female Scouts and Guides Association, Chair of the Pre-School Education Development Higher Committee, Chair of the Committee of Exchange Students, Chair of the Educational Entities General Supervision Committee, Member of the Planning Council, and Member of the Ministry of Education General Assembly in the Arab Education Bureau.

Dr. Sheikha Al Misnad, President, Qatar University is, a leading Qatari educator for nearly three decades, has occupied numerous high-level positions in teaching, administration, and research. She assumed the presidency of the University of Qatar in 2003. President Al-Misnad received



her Bachelor of Arts degree in Education in 1977 from the University of Qatar, and subsequently a Diploma in Education in 1978. She then enrolled in a doctoral studies programme at the University of Durham in the United Kingdom, where, in 1984, she was granted the degree of Doctor of Philosophy in Education. The involvement of President Al-Misnad in educational reform is not limited to Qatar University. She continues to play a leading role in the reform of primary, secondary, and private education in Qatar. As a member of the Board of Directors of Qatar Foundation for Education, Science, and Community Development since 1999, she has been instrumental in the governance and leadership of the educational institutions constituting Education City. Prof. Al-Misnad is also considered one of the most active members of the Supreme Education Council. At the international level, Prof. Al-Misnad is a member of several renowned bodies and delegations. Since June 2004, she has been a selected member of the United Nations University Council (UNU).

Sheikh Faisal bin Fahd Al-Thani is the deputy general manager of Anadarko Petroleum Corp, a company he joined in June 2002 after spending more than 15 years with Qatar Petroleum and other international energy companies in Doha.



Dr. Al-Thani holds a Bachelor of Science degree in Petroleum Engineering from University of Tulsa; a Master in Project Management from the University of Bath and a PhD in Project

Finance of Oil and Gas Industry from Leeds University, Dr. Al-Thani was also a Fulbright Scholar. He has published numerous articles on energy-related topics, and is the chairman of Qatar's Society of Petroleum Engineers. He also serves as chairman of a number of companies, including Qatar Import & Export Company, Faisalia Qatar Group Investment, and Arla Foods - Qatar.

Sheikha Aisha bint Faleh bin Nasser Al-Thani is a founding director of Doha Academy, a primary and secondary school in the Qatari capital.



Sheikha Aisha has played a key role in planning to establish Nottingham University in Qatar. Sheikha Aisha graduated with distinction from Qatar University with a Bachelor of Arts and a Bachelor of Education, and received a Master of Business Administration from the University of Hull in the U.K.

Dr. Mohammad Saleh Al-Sada, Managing Director, Rasgas is the Managing Director of Rasgas. He was previously Director Technical at Qatar Petroleum, a company he joined in 1983 after completing a Bachelor



of Science degree in Marine Science and Geology from Qatar University. Dr. Al-Sada holds his Master's and Doctorate degrees in Corrosion Science and Engineering from the University of Manchester Institute of Science and Technology in the U.K.

Dr. Al-Sada has served as a member of the committee that wrote Qatar's 2003 Constitution and on the National Committee for Human Rights, and helped set up the Supreme Council for Family Affairs. As part of the executive committee and board, he helped establish the Qatar campus of the College of the North Atlantic. He has held board appointments at Qatar

Chemicals Company, Qatar Steel Company, and Qatar Metals Coating Company, some of the country's leading industrial companies. He has also been involved in a number of government initiatives related to environmental policy and climate change.

Dr. Sigbrit Franke is Sweden's University Chancellor, where she is in charge of the National Agency for Higher Education, the central government agency responsible for matters related to universities and higher education institutions in Sweden. She is the first woman to hold the post of University Chancellor.



The daughter of a miner, Dr. Franke trained originally as a primary school teacher and then went on to study psychology at Umea University in northeastern Sweden, where she also earned a PhD in Education. She taught at Umea for a number of years and held senior faculty posts, eventually becoming president of the university in 1992. She has also held a guest professorship at the University of California at Berkeley.

Dr. Paul Greenfield is the senior deputy vice-chancellor of Australia's University of Queensland, which gives him responsibility over the financial performance and strategic direction of the university's various faculties and institutes.



After completing a Bachelor of Engineering from the University of New South Wales (UNSW), Dr. Greenfield worked in the private sector before completing a PhD at UNSW. He joined the University of Queensland in 1975 as a lecturer in chemical engineering, and has held numerous key posts within the university administration over the past decade.

Dr. Greenfield has consulted for national and international companies and government agencies in the fields of biotechnology, wastewater management, environmental management and project evaluation. He has also served on national and international committees such as the National Greenhouse Advisory Panel, and holds various chairmanship positions. Dr. Greenfield is credited with more than 180 journal publications, 120 conference publications, three patents and more than 20 international addresses.

Appendix III

Guiding Articles for the Personnel By-laws

Introduction

The following articles represent the mandatory rules which the Licensee shall incorporate into the Independent School Personnel by-laws. The following articles provide for the mandatory minimum rights and obligations of both the licensee and the employee.

The Education Institute will not approve personnel by-laws that conflict with the following guiding articles. Where there is a conflict between any of the provisions herein and the Labour Law, the provisions that are more beneficial for the employee shall prevail.

Jobs and Hiring

Article (1)

The Independent School shall propose an organisational structure and job schedule to be approved by the Institute. The organisational structure shall include a detailed post description card for every post and the responsibilities and the requirements needed and expected from those holding the post.

Article (2)

Qataris of both genders shall be given a preference in hiring.

Article (3)

The Independent School Licensee shall, in compliance with the job regulations, classification and categorisation adopted by the Institute, sanction the rules and criteria to be applied during the employee selection process. The objective of the said rules and criteria shall be to ensure

that employees possess the qualifications and capabilities necessary for the performance of the job requirements taking into consideration the relevance between specialisation and the post to be filled.

Article (4)

The following conditions shall be met by those to be hired in the Independent School:

1. Must be of good behaviour and standing; have not been previously convicted of a moral crime or breach of fiduciary duty. Individuals who have been convicted of the said offences/crimes but have been rehabilitated and can present an official certificate of rehabilitation from a competent governmental authority may be appointed;
2. Must be at least 18 years of age. Age shall be verified by birth certificate or other official documents that notes the birth date;
3. Must successfully pass all tests and interviews administrated by the Independent School;
4. Must be medically fit for the post. Medical fitness shall be confirmed by a certificate issued by a competent medical authority in the State;
5. Must hold the necessary educational qualifications and practical experience required for the post. Proof of qualifications shall be established by submitting documents and certificates that have been authenticated and approved by the competent authorities.
6. Enclose as part of his credentials a certificate from the Ministry of Civil Affairs and Housing acknowledging that he is not working at the governmental sector and another certificate from the Pensions and Retirements Authority confirming that he is not benefiting from the Pensions System.

Article (5)

Hiring shall be by way of employment contracts which contracts shall enunciate the rights and duties of the both parties.

The employment contracts for Qataris shall be authenticated by the Labour Department and made in triplicate. One original copy shall be handed to the Employee, the second to the Labour Department and the third shall be sent electronically to the Education Institute.

Article (6)

The administration of the Independent School shall use for Qatari Employees the uniform model employment contracts approved by the Education Institute .

Probation Period

Article (7)

The Employee shall be on probation for a period not exceeding three months. The probation period shall start on the commencement date. During that period, the employee shall be evaluated by the relevant department director. Evaluation shall be reported to the school administration which may terminate the contract if it is established that the employee is not suitable for the post held. The Employee shall receive all his entitlements during the probation period. The Employee may not be placed under probation more than once with the same Employer.

Article (8)

Upon successful completion of the probation period, such a period shall be considered part the employee's term of service at the Independent School.

Working hours and Overtime

Article (9)

The Independent School shall determine the daily working hours. The total working hours per week for employees holding tenured posts shall be 40 hours divided on five working days. Subject to the Institute approval, the Independent School may change the total working hours. Working hours in the holy month of Ramadan shall be reduced to 30 hours per week divided on five days.

Article (10)

Subject to the prior approval of the Licensee or his representative and if the interest of the work so requires, an employee may be commissioned to perform some work outside the normal working hours or during the weekends or official holidays. Remuneration for the extra hours worked shall be calculated according to Labour Law.

Article (11)

The total hours of overtime work shall not exceed 40% of the total working hours of the same month. Subject to the prior approval of the Licensee or the Principal and in the cases of emergency, an employee may be requested to work extra hours the amount of which may exceed the overtime maximum hours permitted.

Official Holidays

Article (12)

Work in Independent Schools shall be suspended during the State official holidays. Should an employee work during official holidays, a number of days equal to those worked by the employee shall be added to his annual leaves or he shall be paid for.

Leaves

Article (13)

The employee is entitled to leave, the timing of which shall be determined in accordance with

the work requirements. On granting leave, employees' special social circumstances shall be taken into consideration. No employee shall be absent from work without leave.

Article (14)

Leave for Independent Schools' employees, shall be as follows:

1. Annual leave: for any Employee who completed one year of continuing service. It shall be a paid leave at the rate of at least (45) days.
2. Sick leave: for any Employee with 3 months of service from the date of first joining work with Employer, provided his illness shall be certified by Hamad Medical Corporation. Such sick leave shall be with full pay for the first 2 continuous weeks and with half pay for another 4 weeks, and without pay if it extends for a longer duration until the Employee resumes duty, resigns, or his services are terminated on medical grounds, in accordance with Article 82 of the Labour Law.
3. Pilgrimage Leave: for Muslim Employees granted only once during the service term and for a duration of not exceeding 21 days in accordance with work requirements. The Employee shall not be entitled to Pilgrimage Leave if he had taken such leave during his service with another school.
4. Maternity leave: For any female Employee with full pay for 60 days, if the delivery takes place while working for the operator. If the delivery takes place less than 60 days before the annual leave or the summer holidays, the Employee will not be entitled to more than the balance. If the delivery takes place during either of the aforesaid leave or holiday, the Employee shall be entitled for the difference up to 60 days. This leave shall not be deducted from other leaves to which the Employee is entitled. Qatari employees shall have for one year after the maternity leave expires, two hours daily for breastfeeding fully paid.

5. Eda Leave: For Muslim female Employees with full pay for 4 months and 10 days from the date of the death of the husband or until her delivery if she is pregnant, whichever is earlier.
6. Emergency Leave: For Employees with full pay for 7 days during the year for any unforeseen emergency. Each leave shall not exceed two consecutive days. Entitlement for this leave shall lapse at the end of each year.
7. Marriage Leave: For Employees once during the service term for a period not exceeding 15 days during which the basic salary and the social allowance shall be payable. The Employee shall not be entitled to Marriage Leave if he had taken such leave during his service with another school.
8. Special leave: for Employees who utilised their full leave balance and for a period not exceeding 30 days without pay for the reasons submitted by the Employee and acceptable by the Operator.
9. Accompanying an ailing person Leave (Qataris only) for Employees to a maximum of 60 days, during which only the basic salary will be payable, for accompanying parents, wife, children, brothers, sisters or the spouse's parents. The applicant employee must submit a report issued by the concerned authority in the State certifying that the patient has to be treated outside Qatar and that he has to have an escort.

Remunerations

Article (15)

Salary designated for each post shall be determined in compliance with the ranks and salaries Table attached to the Independent School by-laws and approved by the Institute. The said table may be amended by the Licensee after obtaining the Institute written approval.

Article (16)

The newly appointed employee shall be entitled to the starting salary designated to the post rank at which the employee is appointed. The employee shall be entitled to his salary as of the commencement date.

Article (17)

Qatari employee shall be entitled to receive a basic salary not less than:

1. Q.R. 9,100 for holders of university degrees;
2. Q.R. 7,000 for holders of diplomas.
3. Q.R. 6,160 for holders of secondary school certificates;
4. Q.R. 3,500 for holders of lower than secondary school certificates

Article (18)

The Licensee shall defray all the Civil Service seconded employees entitlements and shall pay the employee an additional monthly allowance not less than:

Q.R. 2000 for university degrees holders;

Q.R. 1500 for holders of diplomas;

Q.R 1200 for secondary school certificate holders;

Q.R. 800 for holders certificates lower than secondary school certificate.

Article (19)

In addition to the basic monthly salary provided for under Articles (17) and (18), Qatari employees and/or full time employees shall be entitled to following allowances:

- Social Allowance payable monthly to single employees which shall not be less than:
 1. QR. 1,500 for holders of university degrees.
 2. QR. 1,050 for holders of diplomas.

3. QR. 1,050 for holders of secondary school certificates.
 4. QR. 1,050 for holders of lower than secondary school certificates.
- Social Allowance payable monthly to married employees which shall not less than:
 1. QR. 3,240 for holders of university degrees.
 2. QR. 2,160 for holders of diplomas.
 3. QR. 2,160 for holders of secondary school certificates,
 4. QR. 2,160 for holders of lower than secondary schools certificates.
 - Housing Allowance: payable monthly to married employees, which shall not be less than:
 1. QR. 4,000 for holders of university degrees.
 2. QR. 2,000 for holders of diplomas.
 3. QR. 2,000 for holders of secondary school certificates.
 4. QR. 2,000 for holders of lower than secondary school certificates.
 - Transport Allowance: payable monthly, which shall not be less than:
 1. QR. 600 for holders of university degrees.
 2. QR. 500 for holders of diplomas.
 3. QR. 500 for holders of secondary school certification.
 4. QR. 500 for holders of lower than secondary school certification.
 - Any other bonuses determined by the Operator which the Operator wishes to grant to the Employee based on his appraised and contribution in improving the school's standard.
- In no event shall the amount of aforesaid allowances be less than those allowances paid out to employees holding similar posts on the Civil service cadre scale.

Article (20)

The Licensee may grant work nature allowance to employee according to the criteria set for the post held by the employee.

Training

Article (21)

The Independent School shall train, develop and improve its employees, especially Qatari employees vocational/professional capabilities, by enrolling them in specialised institutions, establishments and centres inside and outside Qatar.

Article (22)

The Licensee shall promote the Qatari employees' vocational/professional development programmes' plan. Training shall be considered an integral part of the post obligations whether conducted during or after working hours. Training period shall be considered part of the service term.

Article (23)

Where the circumstances mandate that the employee shall be on leave to attend a training course, symposium or seminar, the School Administration shall grant such leave provided that the work requirement does not require otherwise.

Performance Evaluation

Article (24)

The Independent School shall, annually, prepare employees performance evaluation reporting forms and present it to the Institute for approval. The said forms shall incorporate all or some of the following elements and/or any other elements the Independent Schools see apt to include thereat:

- Capability to plan and organise: implementing the targeted goals, identifying the programmes and procedures necessary for their achievement within the framework of the available resources and maintaining proper apportionment of work amongst subordinates;
- Capability to supervise, monitor and guide: Directing, developing, enhancing and coordinating subordinates efforts until tasks are accomplished with quality;
- Capability to assume responsibility and take decisions: handling the job's responsibilities and its consequences; acting without referring to superiors; referring matter to subordinates to avoid responsibility; and taking the right decisions at the right time;
- Initiation and innovation capability: Submitting new proposals and innovative solutions for enhancing work performance and facilitating procedures;
- Study, research and analysis capabilities: The extent to which scientific methods and research tools are utilised in studying and analysing matters and arriving at results;
- Ability to develop information and skills: The ability to acquire new or unique knowledge relevant to the employee's work or the goals and activities of the unit as a whole and the ability to utilise such knowledge;
- Promptness in performing Job duties: Compliance with the plan's designated time scales or set rules;
- Work Load: The amount of work accomplished compared with the total assignments or the prescribed work programmes and plans;
- Quality level and precision in performing job tasks: The employee's comprehension of and capability in his field of work and the effect of that on the performance; performing an error free job and conforming with the required standards of quality;
- Work relations: Prompt response to the superior's directions, effective cooperation with colleagues and cordial treatment of subordinates and clients;

- Discipline: Abiding by the official working hours, utilisation of the official working hours, maintaining appropriate image for the post and its requirements;
- Successful completion of training programmes: when evaluating the employee's performance, training courses and the employee's level of achievement in such courses shall be taken into consideration.

Article (25)

The Independent School shall, during the first half of March of every year, distribute the performance evaluation forms to the Independent School personnel to fill and return no later than the end of May of the same year.

Article (26)

If the evaluation was below 'good', the employee shall be notified in writing of the report's content. The employee shall, within two weeks from such notification, provide his comments on the evaluation. If the employee fails to respond within the agreed period, then the evaluation will be deemed final. If the employee is a Qatari employee, then the Licensee shall provide the necessary training programmes that will qualify the employee for the next year.

Article (27)

Based on the recommendations presented by the Independent School, the Institute shall make a determination in relation to Qatari employees who receive "poor" evaluation in two successive years.

Promotions

Article (28)

- The Licensee shall prepare the promotions' schedule and procedures and present it to the Institute for approval;
- The Licensee shall prepare an annual and exceptional allowances system and present it to the Institute for approval.

Employee Duties

Article (29)

In addition to the duties and responsibilities prescribed in the job description, the employment contract, and any other duties and responsibilities prescribed, from time to time, by the Independent School, an employee shall:

1. personally perform the work assigned to him with due care, honesty and precision;
2. be present at the work place on the specified hours and shall devote all the work time for performing his job duties and responsibilities;
3. abide by the Independent School's by-laws, policies, regulations, decisions, instructions and directions;
4. preserve the Independent School's reputation and the job integrity and shall not disclose secrets relating to the work or personnel;
5. cooperate with his colleagues;
6. when the work interest so requires, perform any work assignments that may be given to him whether during or after the normal working hours;
7. protect the Independent School's movable and immovable assets;
8. use prescribed protective precautions and abide by the safety instructions prescribed to safeguard his and the others' lives and health.

Article (30)

Employee shall not:

1. violate the by-laws, regulations or rules applicable to the Independent School;
2. abstain from acting, committing an act, whether intentionally or negligently that conflicts with the job requirements, duties or responsibilities, or that may result in the loss of any of the rights of the School, its employees or any third party with which the School is dealing;
3. disclose any confidential information related to the activities, employees or clients of the Independent School while in the service or after the service is terminated;
4. take possession of any of the Independent School documents or any part thereof which are to be kept in the custody of the Independent School;
5. practice any business or trade that conflicts with his duties as an employee at the Independent School or conflicts with the interest of the Independent School, or which gives the employee a direct or indirect interest in contracts or business transactions related to the activities of the Independent School, or to which the School is a party;
6. abuse his power or influence or provoke his subordinates to violate the provisions of the by-laws herein.

Disciplinary Measures

Article (31)

An employee who violates any of his job duties, or commits any of the prohibited actions as prescribed herein, or deviates from the proper conduct shall be subjected to disciplinary actions, without prejudice to the Independent School's right to initiate civil or criminal proceedings against him. Moreover, an employee shall not be released from liabilities

resulting from violating the provisions of this by-law if he was directed to do so by his superiors, unless it is established that such violation has been committed as a result of complying with a written order by the employee's superior and after the employee had informed his superior of the said violation in writing.

Article (32)

A disciplinary penalty shall not be imposed on any employee except after informing him of the alleged violation, investigating the said violation by the Disciplinary Committee, and establishing that he had committed the violation.

Article (33)

The Licensee shall prepare the disciplinary penalties' ordinance. The said ordinance shall provide for each violation a minimum and maximum penalty. The ordinance shall be presented to the Institute for approval. It should, however, be noted that disciplinary penalties shall be severe if the violation is recommitted during the same year.

Service Termination

Article (34)

The employee's service will terminate upon:

1. Reaching retirement age for Qataris
2. Health unfitness for work
3. Resignation
4. Dismissal by means of a disciplinary decision
5. Being convicted with a moral crime, breach of trust or a crime
6. Death

7. Termination of Contract. The Employee may terminate the employment contract by giving the Licensee a written notice informing the licensee of his intention to terminate the employment contract before three months of the end of the academic year.

The Operator shall have the right to terminate the Employment Contract after receiving the Education Institute approval at the end of the academic year or by a three months' notice, whichever is longer.

Article (35)

The decision to terminate the service of an employee shall be issued by the recruitment authority.

Article (36)

Terminating the service of Qataris shall be issued by the Licensee after obtaining the Institute's approval.

Article (37)

The stipulation of the Pensions & Retirement Law shall apply to Qatari Employees in accordance with the Council of Ministers Decision No. (21) for the Year 2005 concerning the application of the Pension and Retirement Law to Qatari employees at Independent Schools.



Appendix V

Fiscal Procedures Guide for Independent Schools⁶⁶

GENERAL ACCOUNTING PROCEDURES

In this section, procedures are described for the overall accounting system design, General Ledger activity and General Ledger closeout for the Independent School.

Overall Accounting System Design

Control Objective

To establish a coding structure that supports financial reporting and decision-making.

Major Controls

A. Business Manager Involved in Designing the Chart of Accounts/Coding Structure

To support the decision making, the Business Manager, along with assistance from additional resources, including the Board, management and outside consultants, should be involved from the outset in setting the chart of accounts/coding structure. The coding generally follows a four-digit general ledger account number followed by a two-digit department number, for grants or other funding to be accounted for separately. The structure is XXXX.XX and uses *Appendix A* as a guide.

B. Establishment of Control Accounts

In order to perform reconciliations, subsidiary account detail (e.g. A/R, A/P listing) is aggregated to General Ledger control accounts.

C. Use of Contra Accounts

⁶⁶ Source: Education Institute Finance Handbook (2009)

If necessary, the accounting structure provides for offsetting contra accounts (e.g. an allowance for doubtful accounts) to adjust historical cost to current levels for financial reporting purposes.

General Ledger Activity

Control Objective

To ensure that all General Ledger entries are current, accurate and complete.

Major Controls

A. Timeliness of Entries

All entries are made soon after the underlying accounting event to ensure the financial records and reporting is current.

B. Support Documentation

All entries are supported by adequate documentation that clearly shows the justification and authorization for the transaction.

C. Audit Trail

A complete audit trail is maintained by the use of reference codes from source documentation through the books of original entry and General Ledger, to periodic reporting statements.

Procedures

1. Financial data on source documentation is verified against original documents (e.g., invoice, purchase order, etc.) by the Business Manager before entering into the accounting system.
2. Each entry in the accounting system is reviewed and approved by the Business Manager.
3. Provision is made for using recurring General Journal entries for certain transactions, such as recording the monthly portion of prepaid insurance.
4. Non-recurring entries, such as for correcting entries, recording accruals and recording non-cash transactions, are prepared as circumstances warrant and on a monthly basis.

5. All entries in the books of original entry (e.g., cash receipts journal and check book) are made soon after the accounting event from authorized forms, and are prepared and reviewed by qualified accounting personnel.

6. All General Journal entries are supported by General Journal Vouchers that have supporting documentation attached, and are approved by the Business Manager.

General Ledger Close-Out

Control Objective

To ensure the accuracy of financial records and reports.

Major Controls

A. Trial Balance

Monthly, a trial balance is prepared to ensure the accuracy of the General Ledger account balances.

B. Reconciliation of General Ledger Control Accounts with Subsidiary Ledger

Reconciliations are prepared on a monthly basis.

Procedures

1. At the end of each month, a trial balance of all General Ledger accounts is prepared by the Business Manager.
2. Reconciliation between the General Ledger control accounts and the subsidiary ledgers are completed by the Staff Accountant or the Business Manager.
3. At fiscal year end and after the annual audit, all income and expense accounts are closed out, and the general ledger balances are agreed to the audited financial statements.

1200 CASH MANAGEMENT PROCEDURES

In this section, procedures are described for cash receipts, cash disbursements, and petty cash funds and prepaid items.

Cash Receipts

Control Objective

To record cash receipts completely and accurately and to prevent the diversion of cash assets.

Major Controls

A. Cash Flow Projection

The Independent School annually prepares and updates monthly a cash flow projection for operations and capital cash needs to monitor and ensure adequate cash flow.

B. Cash Receipts Policies

The School has internal control systems in place to monitor cash receipts, and ensure that deposits are made in a timely manner. The School also uses electronic fund transfers to accelerate deposits.

C. Internal Accounting Controls

- i. Opening of mail assigned to an employee with responsibilities independent of access to files or documents pertaining to accounts receivable or cash accounts.
- ii. Listed receipts and credits compared to accounts receivable and bank deposits.
- iii. General Ledger control accounts reconciled with Accounts Receivable Subsidiary Ledger

Procedures

A. General

- 1. Mail is opened by the Receptionist who sorts the checks and forwards them to the Staff Accountant, if applicable or Business Manager
- 2. All checks are restrictively endorsed immediately by the Staff Accountant, if applicable or Receptionist.
- 3. The Staff Accountant, if applicable or Business Manager prepares journal entries and deposit slips.
- 4. A copy of each check to be deposited in made and attached to copy of the deposit slip and filed to provide support for all deposits.

5. The Business Manager reviews and signs off on journal entries.
6. The Staff Accountant, if applicable or Business Manager inputs journal entries.
7. Either the Staff Accountant, if applicable or the Business Manager makes deposits on a daily or no later than on a weekly basis. If deposits are made other than daily, the deposit should be maintained in a secure area with limited access.
8. Reconciliation of cash receipts to deposit slips and bank statements are performed by the Business Manager or Treasurer on a monthly basis.

Cash Disbursements

Control Objective

To disburse cash for authorized purposes and record cash disbursements completely and accurately.

Major Controls

A. Cash Disbursement Policies

Check preparation and signatures are delayed until the due date, consistent with available discounts if available.

B. Internal Accounting Controls

- i. Pre-numbered checks and special check protective paper.
- ii. Match disbursement records against accounts payable/open invoice files.
- iii. Bank statements reconciled to cash accounts and any outstanding checks verified by either the Business Manager or the Staff Accountant, if applicable.
- iv. Supporting documentation cancelled to prevent resubmission for payment.
- v. Detailed comparison of actual vs. budget disbursements on a periodic basis.
- vi. Separation of duties to the extent possible for an organization the size of the School.

Procedures

1. When the transaction is complete and payment is due, a pre-numbered check is prepared by the Business Manager who attaches all supporting documentation: (e.g. vendor invoice, purchase order, purchase requisition, etc.) and submits the package to the Independent School Leader or the Treasurer for approval.
2. All invoices submitted for signature will include approvals for payment, expense account charged, check number and date of payment.
3. The Independent School Leader or the Treasurer signs checks, after examining the supporting documentation.
4. After having been signed, the checks are mailed directly to the payee by receptionist.
5. All supporting documents are cancelled (i.e. stamped *PAID*) by the signatory and filed by Business Manager.
6. On a periodic basis, cash disbursement records are matched against accounts payable/open invoice files for any discrepancies.
7. Bank statements are reconciled soon after receipt by either the Business Manager or the Staff Accountant, if applicable and reviewed by the Independent School Leader.

Petty Cash Funds

Control Objective

To control the use of petty cash funds for valid transactions.

Major Controls

A. Internal Accounting Controls

Reconcile petty cash funds by employees with responsibilities independent of cash receipts, disbursements or custody.

Procedures

1. The Independent School will maintain a petty cash system of 2000QR, which will be maintained and secured by the Business Manager.

2. The Business Manager maintains a log of all disbursements made from the petty cash fund and uses a *Petty Cash Voucher* for all petty cash disbursements.
3. When the fund needs to be replenished, a check request is prepared by the Business Manager, attaching the log of disbursements and the supporting vouchers. See cash disbursement procedure above for payment.
4. Any differences between the check request to bring the fund up to the petty cash amount and total disbursements made are reviewed and a justification is prepared.
5. Funds disbursements are entered into the General Ledger by expense category when the fund is replenished.

Prepaid Items

Control Objective

To ensure proper accounting for prepaid expenses.

Major Controls

A. Internal Accounting Controls

- i. Preparation and updating of an amortization schedule to reflect the incurring of expenses for prepaid items (e.g. prepaid insurance).
- ii. Detailed prepaid expenses reconciled with the General Ledger control account.

Procedures

1. Vendor invoices are reviewed by the Business Manager to identify all required prepayments.
2. For payment of prepaid items, the transaction is coded to reflect the appropriate portion of the payment representing the prepaid portion.
3. An amortization schedule is prepared to reflect the incurring of an expense for prepaid items.

4. A standard journal entry is prepared by the Business Manager or Staff Accountant, if applicable to record the monthly expense.
5. A reconciliation is performed on a monthly basis between the subsidiary ledger and the prepaid expense General Ledger control account.

GRANTS RECEIVABLE PROCEDURES

In this section, the procedures are described that cover revenue recognition and invoicing, billing, accounts and contributions receivable.

Revenue Recognition and Invoicing

Control Objective

To ensure that grant and contract billings are adequately supported, recorded on a timely basis, and reflect the terms and conditions of the grant or contract.

Major Controls

A. Invoicing Policy

Invoices are prepared based on contract agreement dates.

B. Invoice Format

Invoice formats vary depending on the funding source.

C. Segregation of Unallowable Costs

Accounts are maintained in separate accounts for explicitly unallowable costs.

D. Internal Accounting Controls

- i. Verification of services performed before invoice processing.
- ii. Reconciliation of expenditures incurred or units billed to invoices prepared.
- iii. Control of revenue with use of a General Ledger control accounts.
- iv. Separation of duties between the preparation of the invoice and its review and approval to the extent possible for an organization the size of the School.

Procedures

1. On a monthly basis, program costs, or an electronic spreadsheet noting total units served, is reviewed by the Business Manager and recorded on an invoice format prescribed by the funding source. Unallowable or unbillable costs are excluded from claimed costs.
2. The invoice is entered in the Grants Receivable ledger, which depending on the accounting software should automatically prepare an entry to record the corresponding revenue.
3. Arithmetic extensions are verified and invoices are reviewed for accuracy and completeness by the Business Manager and signed by the Independent School Leader.
4. Invoices are entered into the Grants Receivable subsidiary ledger (at which time the corresponding revenue is recorded) and mailed to the funding source by the Business Manager.
5. Copies of invoices and supporting documents are filed by funding source.

Grants Receivable

Control Objective

To ensure the accuracy, completeness and timeliness of accounts receivable balances.

Major Controls

A. Separation of Duties

To the extent possible, the responsibility for posting invoices is kept separate from those with responsibilities for cash functions.

B. Use of Control Accounts

General Ledger control account is reconciled to individual receivable balances within the Grants Receivable subsidiary ledger.

Procedures

1. Payments and other adjustments are posted to the Grants Receivable subsidiary ledger.
2. The Grants Receivable subsidiary ledger is reconciled monthly to the General Ledger control account on a monthly basis.

3. Any Grants Receivable balance greater than 90 days old is followed up and investigated.
4. A final report is submitted to the Education Institute and Finance Office reporting expenditures 60 days after the end of the project period.

PAYROLL PROCEDURES

Payroll procedures are organized under six categories: personnel requirements, personnel data, timekeeping, preparation of payroll, payroll payment, and payroll withholdings.

Personnel Requirements

Control Objective

To ensure that the School hires only those employees, full or part-time, it absolutely needs and exerts tight control over hiring new employees.

Major Controls

A. Payroll Policies

The School has adopted payroll policies for installing new employees on the payroll system and removing terminated employees from the system, as well as monitoring vacation and sick pay.

Procedures

1. New Employees

- a. Requests for new employees are initiated by the Independent School Leader and compared with the approved annual personnel budget.
- b. A *Personnel Action Form* is initiated when hiring a new employee.

Information on this form is reviewed by the Business Manager communicated to the outside payroll service provider, if applicable or input into in-house payroll software.

- c. New employees complete an *Application for Employment*.

2. Vacation and Sick Pay

- a. Employees accrue vacation time based on personnel policy of the Independent School.

- b. Employee is required to provide at least two weeks advanced notice to supervisors for a vacation request.
- c. Regular part-time employees will earn vacation time on a pro-rated bases based on personnel policy of the Independent School.
- d. Employees' earned vacation balances are adjusted monthly to reflect vacation time earned and taken and reviewed by the Independent School Leader.
- e. Sick leave taken is monitored against each employee's available sick time on an electronic spreadsheet and reviewed by the Independent School Leader.
- f. Before vacation time is paid, a Vacation Authorization Request is to be prepared by the employee, which is reviewed and approved by the Business Manager.
- g. The Staff Accountant or Business Manager monitors vacation and sick time by maintaining a log for each individual.
- h. A General Journal entry is prepared at year-end to record the accrued vacation liability.
- i. Unused vacation time is based on personnel policy of the Independent School.

3. Terminations

- a. For each terminated employee, a Termination Form documenting the reasons for termination is completed and routed to the Business Manager for approval.
- b. The approved Termination Form is communicated to the Payroll Service or in-house payroll software for updating the payroll data, including the effects on the fringe benefits.
- c. The approved Termination Form is maintained in the terminated employee's personnel file.

Personnel Data

Control Objective

To calculate and record payroll data accurately and completely for all employees.

Major Controls

A. Internal Accounting Controls

- i. A precise paper trail covering all transactions.
- ii. Changes in personnel data approved by responsible officials.
- iii. Separate payroll and personnel files periodically reviewed and reconciled.

Procedures

- 1. Changes to personnel data are initiated with a *Personnel Action Form* when making changes in new hires, terminations, pay rate changes, or payroll deductions.
- 2. The Business Manager or the Independent School Leader authorizes any change to payroll data.
- 3. The in-house payroll software or contracted payroll service processes authorized changes to the payroll data.
- 4. A copy of the *Personnel Action Form* is retained in the employee's personnel file.

Timekeeping

Control Objective

To ensure that payment for salaries and wages is made in accordance with documented time records.

Major Controls

A. Timekeeping Policies

Employees are instructed on the proper charging of time to assure the accuracy of recorded time to cost objectives.

B. Time Sheet

Labor hours are accurately recorded and any corrections to timekeeping records, including the appropriate authorizations and approvals, are documented.

C. Internal Reviews

The School personnel monitor the overall integrity of timekeeping.

D. Internal Accounting Controls

Reconciliation of hours charged on time sheets to attendance records.

Procedures

1. Time Sheet Preparation

- a. Hourly and salary employees prepare time sheets on a bi-weekly basis.
- b. In preparing time sheets, employees:
 - i. Enter hours in ink and sign the completed timekeeping record
 - ii. Make all corrections in ink by crossing out the error and initialling the change.
 - iii. Submit the completed time sheet to the Administrative Assistant or Receptionist.

2. Approval and Collection of Time Sheets

- a. Each employee's time sheet is forwarded to the Administrative Assistant or Receptionist on a bi-weekly basis, which ensures all the timesheets are submitted in a timely manner. The Administrative Assistant or Receptionist forwards the timesheets to the Independent School Leader who reviews and approves them.
- b. Authorized timesheets are collected by the Administrative Assistant or Receptionist and forwarded to the Business Office for processing.

3. Reconciliation of Payroll to Time Sheets

- a. Hours shown on time sheets are reconciled to the hours recorded on the Payroll Register by the Business Manager for each time sheet period.

Preparation of Payroll

Control Objective

To ensure that payment of salaries and wages is accurately calculated.

Major Controls

A. Internal Accounting Controls

- i. Time records are periodically reconciled with payroll records.

ii. The responsibility for checking the accuracy of payroll calculations is separated from the responsibility for payroll preparation to the extent possible for the size of the School.

Procedures

1. The Administrative Assistant or Receptionist forwards approved time sheets to the Business Office.
2. The total time recorded on time sheets and the number of employees is calculated by the Business Manager.
3. Recorded hours from the bi-weekly time sheets are accumulated by the Business Manager and communicated to the Payroll Service via modem or input into the in-house payroll software.
4. The payroll documents received from the Payroll Service or in-house payroll software (e.g., calculations, payrolls and payroll summaries) are compared with time sheets, pay rates, payroll deductions, compensated absences etc. by the Business Manager.
5. The Business Manager verifies gross pay and payroll deductions.
6. The total hours and number of employees are compared with the totals in the Payroll Register by the Business Manager.
7. The Payroll Register is reviewed and approved by the Business Manager prior to forwarding of the payroll checks for signature to the Independent School Leader or Treasurer.

Payroll Payment

Control Objective

To ensure payment for salaries and wages by check, direct deposit, cash or other means is made only to employees entitled to receive payment.

Major Controls

A. Internal Accounting Controls

- i. Use of pre-numbered checks and accounting for all check numbers.

ii. Complete audit trails on all payroll checks and direct deposit with authorizing signatures at each juncture.

Procedures

1. Checks and payroll register are forwarded to Independent School Leader or Treasurer for signature.
2. Payroll payments by check, direct deposit or cash are distributed by the Business Manager for forwarding to employees and payroll register is filed.
3. The Business Manager controls and monitors all undelivered and uncashed payroll checks, respectively.
4. The payroll bank account is reconciled monthly by the Staff Accountant or Business Manager and reviewed by the Independent School Leader.

Payroll Withholdings

Control Objective

To ensure that payment withholdings are correctly reflected and paid to the appropriate third parties.

Major Controls

A. Reconciliation of Payment and Payroll Withholdings

Payroll withholdings are recorded in the appropriate General Ledger control accounts and reconciled with payments made to third parties.

B. Internal Accounting Controls

The Payroll Service or in-house payroll software calculates payroll withholdings, which are reviewed and verified by the Business Manager.

Procedures

1. The Payroll Service or in-house payroll software calculates payroll withholdings for each employee. These are summarized by pay period and recorded in General Ledger.

2. Payments for payroll withholdings are reconciled with the amounts recorded in the General Ledger control accounts by the Business Manager.
3. The Business Manager reviews the accuracy and timeliness of payments made to third parties for payroll withholdings.
4. Original withholding and benefit election forms, maintained in the employee file, are prepared by employee and reviewed and approved on a periodic basis by the Business Manager.

1500 PROPERTY AND EQUIPMENT (P&E) PROCEDURES

This section is organized into six parts: P&E acquisitions, record keeping over P&E, depreciation of P&E, inventory of P&E, disposal of P&E, and Government-furnished and School-acquired property and equipment.

Property and Equipment Acquisitions

Control Objective

To control the acquisition of P&E and completely and accurately record fixed asset acquisitions in order to safeguard fixed assets from loss.

Major Controls

A. P&E Acquisitions Tied to Budget

All acquisitions of property and capital equipment are either designated in the approved budget, or subsequently approved by the Board of Trustees.

B. P&E Acquisitions Based on Approved Requests

Official approval is obtained before a P & E purchase is made. This is performed by reviewing the *Purchase Requisition Form* prepared for the item.

C. Internal Accounting Controls

- i. Reconcile fixed asset acquisitions with capital expenditure authorizations.

Procedures

1. Capital budget requests are submitted annually for review and approval by the Board of Trustees.
2. Authorization requests for the acquisition of fixed assets are reviewed and approved by the Business Manager, Treasurer, or Independent School Leader.
3. Each item of property and equipment received is identified and tagged in a visible area on the asset.
4. A copy of *Purchase Orders* for capital expenditures is entered into the fixed assets subsidiary or comparable worksheet for proper identification of all fixed assets to be included in the General Education Fund.
5. Information on each tagged asset is entered in the fixed assets subsidiary or comparable worksheet.

Record Keeping over Property and Equipment

Control Objective

To completely and accurately record fixed asset acquisitions, transfers and dispositions on a current basis.

Major Controls

A. Capitalization Policies

The School follows international accounting standards as applicable to special purpose business- type activity governmental unit. All fixed asset purchased are capitalized in the year of purchase, and recorded in the General Education Fund.

The School follows the policy of capitalizing all fixed assets purchased greater than 5,000QR.

B. Fixed Asset Classification

Fixed assets are accounted for by the following classifications: land, building, equipment, betterment, leasehold improvements, equipment, furniture, and computer hardware and software.

C. Complete Record of P&E Acquisition Costs

The fixed assets subsidiary ledger contains the full history of each capital asset acquired: original acquisition cost, and any costs incurred to prepare the asset for use.

Procedures

1. Asset acquisitions, transfers, and dispositions are entered in the fixed assets subsidiary ledger on a periodic basis.
2. The fixed assets subsidiary ledger is reconciled with the control account in the General Education Fund on a monthly basis. Any differences are analyzed and resolved by the Business Manager.

Depreciation

Procedures

1. The School capitalizes all fixed assets when acquired, and records the historical cost of these items in the General Education Fund. In accordance with international accounting standards depreciation expense must be recorded in the statement of revenue, expenditures and changes in net assets. The Independent School will use the straight line method of depreciation over the assets useful life as determined as follows:
 - a. Computers: 3 years
 - b. Office Equipment: 5 years
 - c. Vehicles: 5 years
 - d. Office Furniture: 7 years
 - e. Building Improvements: 20 years
 - f. Building: 30 years

Inventory of Property and Equipment

Control Objective

To ensure that all recorded assets exist and are in use.

Major Controls

A. Internal Accounting Controls

- i. All property and equipment is tagged when received.
- ii. Physical inventories are performed bi-annually.
- iii. Differences between physical inventories and amounts recorded in the control account are analyzed and reconciled.

Procedures

1. The Business Manager prepares a printout of recorded fixed assets by asset classification.
2. An inventory of fixed assets is taken bi-annually.
3. The inventory of fixed assets is compared to the amounts recorded in the general ledger control account. Differences are investigated and resolved by the Business Manager.

Disposal of Property and Equipment

Control Objective

To ensure that assets no longer in use are disposed of in accordance with existing policies.

Major Controls

A. Disposal Policies

The School has adopted policies on the disposition of property and equipment.

B. Internal Accounting Controls

- i. Use of fixed asset disposal authorization forms.
- ii. Disposal or transfer of fixed assets only with proper authorization.
- iii. Periodic count of fixed assets that is reconciled with fixed asset recorded in the control account in the general ledger.

Procedures

1. A determination is made by the School personnel as to the usefulness of a fixed asset.
2. An *Asset Disposal Form* is prepared with proper written authorization from the Business Manager.
3. The *Asset Disposal Form* is reviewed and signed by the Independent School Leader.
4. A copy of the *Asset Disposal Form* is routed to the Business Manager, who enters the amount of the disposed fixed asset as a reduction in the fixed asset subsidiary ledger, and adjusts the control account in the General Education Fund. The treatment of any proceeds from the disposition, and the recognition of any gain or loss on sale of the disposed asset, is also recorded in the General Education Fund revenue account at this time.

Government-Furnished and School-Acquired Property and Equipment

Control Objective

To assure that Government-furnished and School-acquired property and equipment are properly obtained, used and managed during the performance of Government contracts.

Major Controls

A. Record keeping

The School maintains detailed records on all property and equipment.

B. Custody

All Government-furnished and School-acquired property and equipment, when not in use, is stored in a secure area.

C. Inventory

All Government-furnished and School-acquired property and equipment is inventoried.

Procedures

1. All Government-furnished and School-acquired property and equipment on Government contracts/grants are assigned tag numbers and properly identified with this number in the fixed asset subsidiary ledger.
2. On an annual basis, the Business Manager inventories all property and equipment and ensures that fixed assets are being used for the purpose intended.
3. The disposition of Government furnished and School-acquired property and equipment is authorized by Business Manager and reported to the proper Government Agency.

ACCOUNTS PAYABLE PROCEDURES

This section is organized into three major parts: accounts payable, purchasing and expense reimbursement.

Accounts Payable

Control Objective

To ensure that invoices are accurately recorded on a timely basis for authorized purchases.

Major Control

A. Reconciliation of Accounts Payable Records

Reconciliation of source data, subsidiary ledger totals and General Ledger control accounts is performed periodically to ascertain the accuracy of accounts payable entries.

B. Internal Reviews

Internal reviews are conducted to determine if duplicate payments or overpayments exist.

Procedures

1. Voucher Preparation and Review of Voucher

- a. Invoices are received by the Administrative Assistant, who forwards them to the Independent School Leader or Coordinators for approval.
- b. Approved invoices are forwarded to the Business Office.
- c. Invoices are compared to the *Purchase Order* and the packing list.

- d. The invoice is reviewed for the nature, quality and quantity of goods ordered and the related price, and the accuracy of all arithmetic calculations and extensions
- e. The invoice is input into the Accounts Payable subsidiary of the accounting software after it is reviewed by either the Staff Accountant or the Business Manager.
- f. Checks are run on a weekly basis, and vendors are paid based on terms of the invoices as recorded within the system. See Cash Disbursement section for issuing of checks.

2. Purchase Discounts

- a. The Business Manager establishes all vendors within the accounting system upon initial use of the vendor.
- b. The Business Manager reviews the invoice for any purchase discounts date and ensures that the vendor file is established and properly capturing the discount period.

3. Reconciliation of Accounts Payable Records

- a. The total balance in the Accounts Payable Subsidiary Ledger is reconciled with the General Ledger control account monthly.
- b. Debit balances in the Accounts Payable Subsidiary Ledger are resolved appropriately (e.g. an offset against other amounts due the vendor, requesting payment from the vendor, etc.)

Purchasing

Control Objective

To ensure that goods and services are acquired at fair and reasonable prices and the highest personal standards of conduct are maintained in all relationships with vendors, suppliers and subcontractors.

Major Controls

A. Purchase Requirements

i. The School has developed cost-effective and efficient purchase requirements in order to achieve full and open competition, meeting delivery schedules, controlling inventory and material, and expediting and following up purchases.

B. Required Competition

The School utilizes the following procurement guidelines:

i. *Contracts under 10,000QR* - The School uses sound business practices when procuring goods and services for amounts less than *10,000 QR*.

ii. *Contracts from 10,000QR to 75,000QR* - The School seeks price quotes from at least three vendors and awards the contract to the responsible vendor offering the supply or service needed for the lowest price.

iii. *Contracts from 75,000QR to 500,000QR* - The School can proceed with a limited bidding process, in which at least three bidders are to be evaluated for the order. Invitations can be made for at least six suppliers.

iv. *Contracts greater 500,000QR* - The School should go through an open tender. The advertisement should be placed in two Arabic and two English newspapers.

C. Selecting the Vendor

The School selects the most responsive and responsible vendor to provide required materials and services, and promotes competition in order to obtain fair and reasonable prices.

D. Internal Accounting Controls

i. Approval by the Board of Trustees of purchases equal to or exceeding over *100,000QR* prior to contract/purchase order finalization.

ii. Adoption of policy requires the reporting of unethical conduct to management and subsequent restitution of any gain resulting from such conduct.

Procedures

1. Purchase Requirements

- a. After approval of the annual budget, the Business Manager reviews the School's needs to uncover patterns of orders, and opportunities for clustering orders, to achieve volume discounts.
- b. In preparing a purchase requisitions, the Independent School Leader identifies only minimum needs.

2. Processing Purchase Requisitions

- a. *Purchase Requisitions* are forwarded to the Administrative Assistant or Receptionist. The Administrative Assistant or Receptionist prepares a spreadsheet by vendor for the items requisitioned.
- b. The *Purchase Requisitions* includes the following:
 - i. A description of items ordered
 - ii. A cost estimate
 - iii. The required delivery information
 - iv. A statement of the nature and purpose of the procurement
- c. *Purchase Requisitions* are approved by the Business Manager, after review of the remaining budget.
- d. The Administrative Assistant presents *Purchase Requisitions* to the Independent School Leader for review and approval.
- e. Approved *Purchase Requisitions* are forwarded to the Staff Accountant or Business Manager.

3. Processing Purchase Orders

- a. A *Purchase Order* is prepared by the Business Manager or approves the information that was input by the Staff Accountant.
- b. Before a *Purchase Order* is sent to a supplier, it is reviewed by the

Business Manager for accuracy of the dates, account coding, quantities listed and arithmetic extensions.

c. *Purchase Orders* are approved by the Business Manager or the Independent School Leader.

d. Two copies of the *Purchase Order* are prepared. One copy is forwarded to the vendor, and the other copy is filed alphabetically by vendor in the business office and entered in the *Purchase Order Log* by pre-assigned number to track outstanding commitments.

4. Obtaining Bids and Quotations

a. The Business Manager requests bids or quotations verbally on transactions not expected to exceed 10,000QR, and in writing for transactions between 10,000QR and 75,000QR. Items greater than 75,000QR, will require formal bid requests and evaluation.

b. In evaluating bids received, the Business Manager performs and documents a cost or price analysis.

5. Negotiation and Award

a. Award may be made to other than the low bidder in circumstances where the higher bid demonstrates best value contracting procedures to the School. In such situations, the Business Manager shall prepare a justification statement for such awards, furnishing a brief explanation of the factors leading to such a decision.

Expense Reimbursement

Control Objective

To ensure the School pays for only authorized business expenses.

Major Controls

A. Travel Policies

The School has adopted policies on travel reimbursement.

B. Employee Expense Reimbursement Documentation

Employees are required to obtain and furnish documentation for individual expenses of 100QR or over and company credit card purchases.

C. Internal Accounting Controls

i. Justification for travel approved by Business Manager or Independent School Leader

ii. Documentation for incurred employee expenses

iii. Documentation for company credit card purchase.

D. Expense Advance or Reimbursement

i. Soon after travelling, but not exceeding 30 days, an employee who seeks reimbursement for authorized expenses completes a *Travel Report* detailing the expenses incurred, attaching originals of supporting documentation.

ii. All credit card purchases are supported by invoices in order to be reimbursed.

iii. The employee's *Travel Report* and credit card purchases invoices are reviewed and approved by the Business Manager.

PROCEDURES FOR OTHER LIABILITIES

In this section, procedures for liabilities are covered under accrued liabilities.

Accrued Liabilities

Control Objective

To accurately control and record accrued liabilities.

Major Controls

A. Maintaining an Accrual Register

To properly set up and monitor accrued liabilities and accrual accounts related to salaries and wages, vacation pay and applicable taxes.

B. Reconciliation of the Subsidiary Schedules with the General Ledger Control

Account

On a periodic basis, reconciliation is performed between the subsidiary schedule and the General Ledger control account.

Procedures

1. An accrual subsidiary schedule is established and maintained by the Business Manager for each type of accrual.
2. The School records all accruals at fiscal year end, or when determined necessary by the Business Manager
3. A General Journal entry is prepared at year-end to record all accruals.

MANAGEMENT REPORTING PROCEDURES

In this section, procedures are covered for supporting the annual budget and financial reporting.

Annual Budget

Control Objective

To effectively support the preparation of the annual budget and its periodic review.

Major Controls

A. Budget Process

The Board of Trustees' Finance Committee works with the Business Manager and prepares the annual operating and capital budgets and cash flow projection, with input from the Independent School Leader and the school's community. The budgets and projection are submitted to the Board of Trustees for approval.

B. Internal Accounting Controls

Accuracy and completeness of the budget and projections

Procedures

1. In preparation of the annual operating and capital budget and cash flow projection, the Business Manager prepares a preliminary budgets and projection for review by the Independent School Leader in consultation with the Finance Committee.
2. To support budgets and projection estimates, the Business Manager prepares current year-to-date financial data with projections of year-end totals.
3. The Independent School Leader and the Finance Committee review the budgets and projection submitted for completeness and reasonableness.
4. The Board of Trustees approves and adopts the final budgets and projection.
5. The adopted budgets totals are entered in the General Ledger by the Business Manager for the new fiscal year, in order to prepare budget to actual reports.

Financial Reporting

Control Objective

To ensure the accuracy, completeness and timeliness of financial reporting to support decision making.

Major Controls

A. Schedule

Monthly managerial reports are prepared based on a schedule.

B. Review and Approval

Financial reports are reviewed for accuracy and completeness.

C. Audit

The annual financial statements of the School are audited by a certified public accounting firm.

Procedures

1. The Business Manager prepares monthly budget vs. actual financial reports and cash flow projection for the Board of Trustees meetings.

2. The Independent School submits to an audit of its financial statements by a qualified certified public accounting firm.

Appendix VI

Introduction Letter to Interviewees

Dear Madam/Sir,

As your Head/School undoubtedly assured you by now, the interview will take about 30 minutes of your time. All responses will be kept strictly confidential. Since I am making that request of you, you have every right to know that it is part of research in connection with my doctorate thesis at CASS Business School (London, United Kingdom) into Qatar's education reform and the influence that changes in corporate governance rules and recommendations might have on that. As you are undoubtedly aware, I am a member of the Supreme Education Council in Qatar.

This research will not reveal any response from individuals without their consent. Your cooperation in this matter is important for obtaining a good insight into the developments of the education reform in Qatar. If you have any questions about this questionnaire, you can contact me at aishafaleh@gmail.com or 6666 040. I very much appreciate your cooperation.

Sincerely yours,

Aisha Al Thani

Members of the Supreme Education Council

Doctorate Research on Corporate Governance Cass Business School in London

Appendix VII

A Rejection of Surplus Funds Use for School Activity

2008 09 19 FAX 4270658

SEC

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P.O. Box 35111, Doha, Qatar
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ص.ب. ٣٥١١١، الدوحة، قطر
+٩٧٤ ٤٢٧٠٦٥٥٥ هاتف
+٩٧٤ ٤٢٧٠٦٥٨ فاكس
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الإشارة: ED.FO/229/01/09
التاريخ: 29 يناير 2009م

المحترم

صاحب ترخيص / مدير
مدرسة الدوحة الثانوية المستقلة للبنين
الدوحة - قطر

تحية طيبة وبعد،،،

الموضوع: طلب صرف تكاليف أسبوع الدوحة الرابع للتعليم من الفوائض.

بالإشارة إلى الموضوع أعلاه وإلحاقاً إلى كتابكم بتاريخ 2008/12/29 بخصوص طلب صرف تكاليف أسبوع الدوحة الرابع للتعليم من الفوائض و كتابنا رقم ED.FO/011/01/09 بتاريخ 4 يناير 2009 يرجى الإحاطة علماً بأنه قد تم عرض طلبكم على اللجنة المختصة بذلك و قد تقرر عدم الموافقة عليه حيث أن مخرجات البرامج السابقة المشابهة لم تحقق النتيجة المطلوبة.

يشكركم على تعاونكم،،،

مدير مكتب التمويل

M.K

بداخل مبنية التعليم أحصل

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